

Amendment 80 to Council Bill No. 28 -2023

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Legislative Day 11

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Amendment No. 80

(This Amendment makes the following changes to HoCo by Design Chapter 10 and Chapter 11:

*Chapter 10:
Managing Growth*

- *Amends the description of demand from “pent-up” to “potential”;*
- *Clarifies that the FLUM is only illustrative at the parcel level and that targeting activity centers does not mean they can or will be redeveloped;*
- *Amends the proposed process for Zoning Regulations amendments to consider allowing limited accessory dwelling units;*
- *Amends map 10-2 to reflect the 2023 School Capacity Chart data;*
- *Removes a reference to a buildup of available housing allocations;*
- *Amends the section titled “Managing Growth into the Future” by removing the fifth paragraph and adding language clarifying that the allocation chart presented is provided for under the current APFO law;*
- *Amends the MG-1 Policy Statement to remove a reference to amending APFO and substitute the APFO will be evaluated to support the vision of HoCo By Design in accordance with the law established for the review of APFO, and amends the Implementing Actions to clarify APFO is a model to pace future growth rather than support future growth, remove an evaluation of granting automatic or limited exceptions to incentivize affordable, age-restricted, and missing middle housing, remove an examination of alternatives to APFO waiting periods, and remove the development of fee-based funding methods; and*

*Chapter 11:
Implementation*

- *Amends the MG-1 Policy Statement to remove a reference to amending APFO and substitute the APFO will be evaluated to support the vision of HoCo By Design in accordance with the law established for the review of APFO, and amends the Implementing Actions to clarify APFO is a model to pace future growth rather than support future growth, remove an evaluation of granting automatic or limited exceptions to incentivize affordable, age-restricted, and missing middle housing, remove an examination of alternatives to APFO waiting periods, and remove the development of fee-based funding methods.)*

1 In the *HoCo By Design* General Plan, attached to this Act as Exhibit A, amend the following
2 pages as indicated in this Amendment:

- 3 • Chapter 10, Managing Growth: 5, 6, 13, 14, 17, 21, and 22;
- 4 • Chapter 11: Implementation: 59.

5

6 The Department of Planning and Zoning shall update the map on pages MG-13 and MG-14, Map
7 10-2: Adopted APFO School Capacity Chart with a map that reflects the 2023 School Capacity
8 Chart data.

9

10 Correct all page numbers, numbering, and formatting within this Act to accommodate this
11 amendment.

12

Residential Growth Targets, 2020-2040

HoCo By Design has set a target of approximately 1,580 new units per year. This future growth represents a similar pace compared to the last 20 years, when an average of 1,537 new units were built annually.

Future growth in Howard County is expected to be modest given the limited amount of vacant land upon which housing and other development can occur. Most of the County has already been developed or preserved as agriculture, parks, and open space, and there is limited land left for the typical greenfield development that occurred in previous decades. Additionally, much of the remaining land is constrained with environmental features, difficult topography, limited access, or other physical features that restrict ultimate yield. This dwindling land supply and the challenges associated with developing it naturally reduce growth opportunities.

However, the HoCo By Design Market Research and Demand Forecast (prepared by the consulting firm RCLCO) shows demand for new housing in Howard County remains strong and is necessary to support job growth and a healthy jobs/housing balance. As further described in the Growth and Conservation Framework chapter, RCLCO found potential to add 59,000 jobs in Howard County between 2020 and 2040, resulting in demand for 31,000 new homes to accommodate households associated with the job growth. The RCLCO market analysis also identified a current “pent-up” potential demand for 20,000 more housing units tied to those who work in Howard County but live elsewhere in the region. An inadequate supply of housing exacerbates housing affordability challenges, as further described in the Dynamic Neighborhoods chapter. A lack of housing choices also makes recruiting workers more difficult, as they are priced out of the local market. Further, the fiscal study for this Plan indicates that new growth is important to maintain the high quality of life and service levels that Howard County residents and businesses value and have come to expect.



To meet these demands, HoCo By Design provides a strategy for redevelopment, as detailed in the Growth and Conservation Framework chapter. The Future Land Use Map (FLUM) shown in that chapter divides the County into 18 character areas and focuses future growth into activity center redevelopment areas—many of which were included in the last General Plan, PlanHoward 2030. However, the locations of these activity centers are more targeted, as compared to PlanHoward’s growth and revitalization areas. To the extent specific parcels are identified it is for illustrative purposes only. Although targeted, that does not mean they can or will be redeveloped.

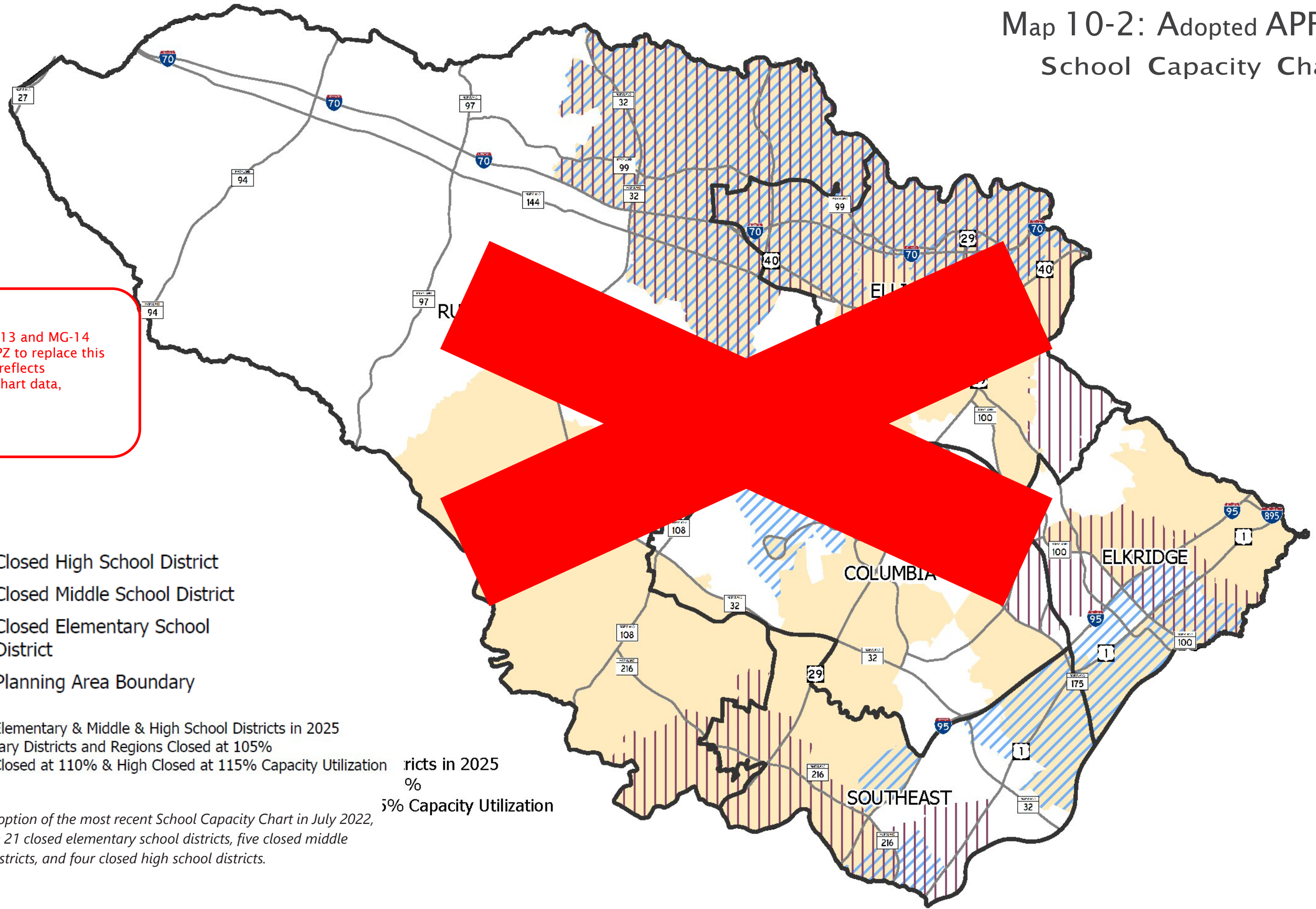
Among the activity centers depicted on the FLUM is a Regional Activity Center in Gateway. As described in the Economic Prosperity chapter, HoCo By Design calls for the development of a master plan for the Gateway Regional Activity Center. The Gateway master plan will summarize the area’s future development phasing and intensity, mix of uses, open space network, building height range, and infrastructure approach. HoCo By Design’s growth targets will need to be adjusted when the master plan for Gateway is completed, using an amendment process similar to the Downtown Columbia Plan in 2010. Specific growth targets will be identified through the Gateway planning process and any development in the Regional Activity Center will take place over 30 or more years. A separate, specialized APFO program should be created for Gateway to address transportation needs and school capacity. Given this long-term development horizon, multiple future General Plans will incorporate the plan for Gateway.

In addition to the Gateway master plan, development in many of the other activity centers, as shown on the FLUM, will require amendments to the County’s Zoning Regulations, Subdivision and Land Development Regulations, and associated design guidelines to shape the character of new development. Amendments to Consideration should be given to amending these regulations should allow for accessory dwelling units and better regulate and allowing limited accessory dwelling units, as well as better regulating infill development to maintain the character of existing neighborhoods.

It is important to note that redevelopment in mature suburban communities like Howard County can be difficult and time-consuming. Regulations will need to be amended, and the transition toward redevelopment of the envisioned activity centers may take some time. Implementation will need to accommodate market forces, overcome fractured property ownership, and consider development economics and consumer behavior.



Map 10-2: Adopted APFO School Capacity Chart



This map on pages MG-13 and MG-14 shall be amended by DPZ to replace this map with a map which reflects 2023 School Capacity Chart data,

- ||| Closed High School District
- /// Closed Middle School District
- Closed Elementary School District
- Planning Area Boundary

Closed Elementary & Middle & High School Districts in 2025
 Elementary Districts and Regions Closed at 105% Capacity Utilization
 Middle Closed at 110% & High Closed at 115% Capacity Utilization
 Districts in 2025
 %
 5% Capacity Utilization

Upon adoption of the most recent School Capacity Chart in July 2022, there are 21 closed elementary school districts, five closed middle school districts, and four closed high school districts.

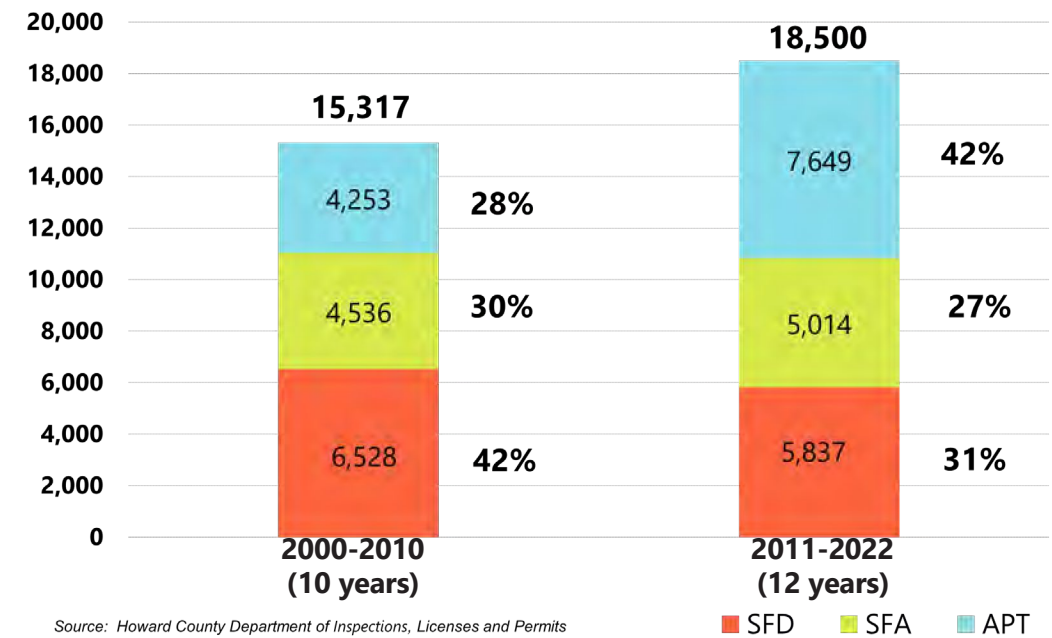
Residential Growth Trends

While APFO is not perfect, it has succeeded in pacing residential growth according to General Plan projections and goals. Over the last 20 years, there has been an annual average of 1,537 new housing units built in the County. However, of the past six years, the annual average has decreased to 1,300 units a year. ~~Consequently, a surplus of unused allocations has ensued, resulting in a gradual buildup of available housing allocations in recent years.~~ Graph 10-1 shows building permits issued since 2001 and reflects the decline in residential construction in recent years. Graph 10-1 also shows development by unit type. The years with the greatest housing growth are attributed to large numbers of multi-family units coming on-line, typically associated with large apartment projects in Downtown Columbia and the Transit Oriented Development (TOD) and Corridor Activity Center (CAC) zones along the Route 1 Corridor. As further depicted in Graph 10-2, in more recent years a greater number of apartment units have been built with less single-family detached and single-family attached units built.

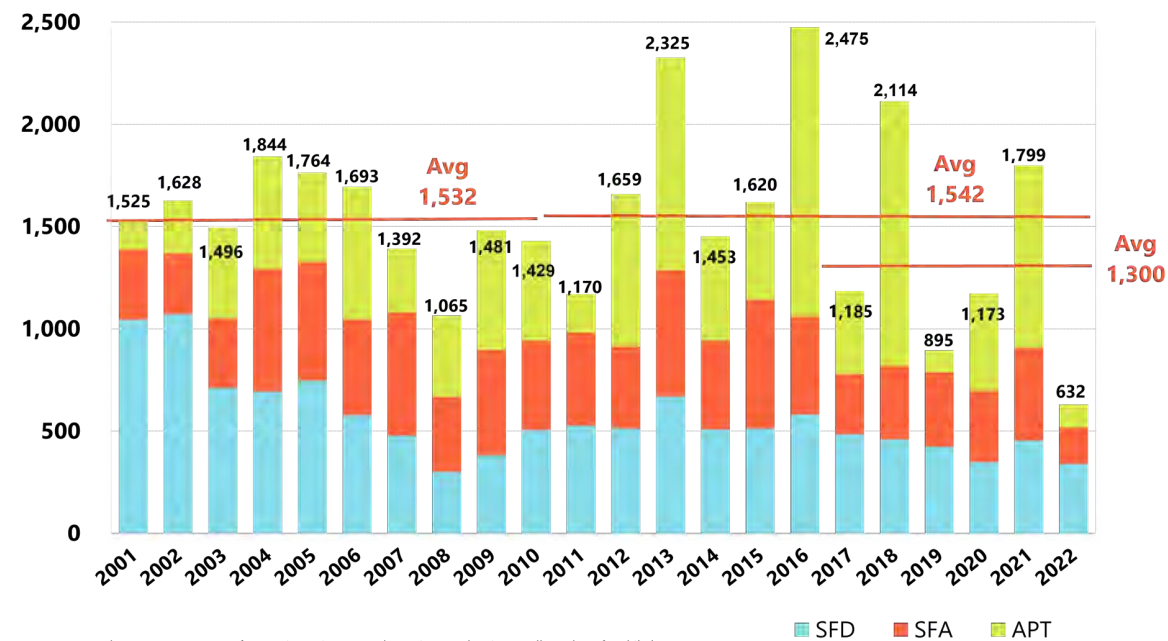
The surplus in allocations may be attributed in part to APFO amendments adopted in early 2018, which have resulted in more school districts being closed to development, as reflected in Map 10-2. A significant change to the law included lowering the capacity utilization percentages when elementary districts and regions are closed to development from 115% to 105% and middle school districts from 115% to 110%, and adding a high school district test at a 115% threshold. This change has had an impact on proposed new residential development, given the extent of the closed areas in the County.

This recent trend of slower residential development is also a result of a limited land supply in Howard County. Much of the new residential development opportunities in the future in Howard County will come from redevelopment, as reflected in the Future Land Use Map.

**Graph 10-2: Residential Building Permits Issued - By Unit Type
Howard County**



**Graph 10-1: Residential Building Permits Issued
2001 through 2022 Howard County**



Managing Growth into the Future

HoCo By Design recommends a comprehensive review and assessment of APFO. Future land use patterns in Howard County will largely be realized through infill development and redevelopment in activity centers, and to a much lesser extent by suburban development in greenfields. APFO was designed to manage growth in the latter, and now needs to be updated to reflect the land use patterns of the County's future.

Section 16.1100(b)(iv) of the Howard County Subdivision and Land Development Regulations requires that a task force be convened within one year of the adoption of the General Plan to review and recommend changes to APFO. The APFO task force will be responsible for reviewing and updating APFO to support the vision, policies, and implementing actions presented in this Plan. The task force may research alternate APFO models used in other counties in Maryland, particularly those counties where redevelopment and infill are the primary forms of new development.

The task force should also explore regulations that consider various development types, locations, and intensities, and incentive-based provisions to expedite capacity improvements. For example, the APFO review should determine whether higher-density, mixed-use projects in activity centers, which may have low student yields, should meet different standards or thresholds, and whether pay-based incentives should be established where suburban-style developments could proceed if a higher school surcharge were paid. The task force should evaluate how APFO may apply to detached accessory dwelling units.

Not only are development and zoning incentives a vital part of a comprehensive affordable housing strategy, process incentives like APFO should be considered as well. The Dynamic Neighborhoods chapter suggests that the APFO task force assess the applicability of APFO to accessory dwelling units and develop recommendations as applicable. The Housing Opportunities Master Plan also recommends the APFO task force look for opportunities to grant automatic or limited exemptions to incentivize affordable, age-restricted, and missing middle housing developments. Accordingly, the County should evaluate targeted changes to APFO to support the growth required to improve housing affordability and opportunities when the APFO task force convenes following the adoption of the General Plan.

~~The allocation chart presented here is intended to serve as a temporary bridge between the current requirements of APFO and any subsequent revisions to the law that may result from the work of the APFO task force. The task force should consider whether the allocation chart achieves its intended goal and, if so, whether changes to the chart should be made. The task force should also advise whether the allocation chart, if still deemed necessary, should remain in the General Plan or be incorporated into the APFO ordinance.~~

The task force should also evaluate existing conditions and emerging trends for new student generation, whether it is due primarily to new housing units or family turnover in existing neighborhoods. Developing an understanding of neighborhood lifecycles will allow for a better assessment of student growth and housing. This understanding should further inform how the APFO school capacity test and associated chart could be changed to optimize growth targets while also maintaining adequate school capacity. The allocation chart presented here provides guidance for future consideration.

Ultimately, the challenge will be to better balance housing market demand, economic development, and fiscal goals with the continued need to provide adequate school capacity and transportation facilities, as changing housing types and patterns emerge in the future. As noted in the Growth and Conservation Framework chapter, HoCo By Design provides a more predictable outlook for infrastructure with its focused approach on redevelopment—as only 2% of the County's already developed land is targeted as activity centers. This approach allows the County and allied agencies to more deliberately plan and budget for infrastructure.

MG-1 Policy Statement

Evaluate ~~and amend~~ the Adequate Public Facilities Ordinance (APFO) ~~to support the vision and policies presented in HoCo By Design~~, including current and anticipated development patterns and challenges, to support the vision and policies presented in HoCo By Design and in accordance with the law established for the review of APFO.

Implementing Actions

1. As part of the evaluation of APFO, achieve the following:
 - a. Research APFO models used in other Maryland and US jurisdictions that account for infill development and redevelopment to support pace future growth and transportation patterns as anticipated in this General Plan.
 - b. Assess the applicability of APFO to accessory dwelling units and develop recommendations as applicable.
 - ~~c. Evaluate opportunities to grant automatic or limited exemptions to incentivize affordable, age-restricted, and missing middle housing developments.~~
 - ~~d. c.~~ Evaluate the necessity of a housing allocation chart, including its goals, design, and appropriate place in the law.
 - ~~e. d.~~ Schools:
 - i. Collect data for school demands in the County sufficient to evaluate existing conditions, emerging trends, and future year needs. This analysis should include an evaluation of the life cycle of new and existing neighborhoods to better understand the origins of student growth.
 - ii. Evaluate the extent to which new growth generates revenues to pay for school infrastructure and review alternative financing methods.
 - iii. Evaluate the school capacity test in APFO to determine if intended outcomes are being achieved, and recommend changes to the framework and process to better pace development with available student capacity.
 - ~~iv. Examine alternatives to APFO waiting periods whereby a development proposal offsets the potential impact to zoned schools through an additional voluntary mitigation payment.~~
 - ~~v. iv.~~ Evaluate the timing and process of the school capacity chart.
 - ~~f. e.~~ Transportation:
 - i. Evaluate and amend APFO standards for transportation adequacy and develop context-driven transportation adequacy measures that align with the County's land use and transportation safety vision.
 - ii. Study and develop APFO standards for specific geographic subareas.
 - ~~iii. Study and develop methods to use a fee-based approach to advance the most significant projects in a subarea.~~
 - ~~iv. iii.~~ Evaluate and amend APFO standards to mitigate trips with investments in bicycle, pedestrian, and transit infrastructure, road connectivity, and safety projects.
2. Appoint an APFO task force within one year of General Plan adoption to review and provide recommendations for APFO updates that reflect the vision and policies in HoCo By Design.

Table 10-1: Implementation Matrix

Policy and Implementing Actions	Lead Agency	Timeframe
<p>MG-1 - Evaluate and amend the Adequate Public Facilities Ordinance (APFO) to support the vision and policies presented in HoCo By Design, including current and anticipated development patterns and challenges, to support the vision and policies presented in HoCo By Design and in accordance with the law established for the review of APFO.</p>		
<p>1. As part of the evaluation of APFO, achieve the following:</p> <ul style="list-style-type: none"> a. Research APFO models used in other Maryland and US jurisdictions that account for infill development and redevelopment to <u>support pace</u> future growth and transportation patterns as anticipated in this General Plan. b. Assess the applicability of APFO to accessory dwelling units and develop recommendations as applicable. c. Evaluate opportunities to grant automatic or limited exemptions to incentivize affordable, age-restricted, and missing middle housing developments. d. c. Evaluate the necessity of a housing allocation chart, including its goals, design, and appropriate place in the law. e. d. Schools: <ul style="list-style-type: none"> i. Collect data for school demands in the County sufficient to evaluate existing conditions, emerging trends, and future year needs. This analysis should include an evaluation of the life cycle of new and existing neighborhoods to better understand the origins of student growth. ii. Evaluate the extent to which new growth generates revenues to pay for school infrastructure and review alternative financing methods. iii. Evaluate the school capacity test in APFO to determine if intended outcomes are being achieved, and recommend changes to the framework and process to better pace development with available student capacity. iv. Examine alternatives to APFO waiting periods whereby a development proposal offsets the potential impact to zoned schools through an additional voluntary mitigation payment. v. iv. Evaluate the timing and process of the school capacity chart. f. e. Transportation: <ul style="list-style-type: none"> i. Evaluate and amend APFO standards for transportation adequacy and develop context-driven transportation adequacy measures that align with the County's land use and transportation safety vision. ii. Study and develop APFO standards for specific geographic subareas. iii. Study and develop methods to use a fee-based approach to advance the most significant projects in a subarea. iv. iii. Evaluate and amend APFO standards to mitigate trips with investments in bicycle, pedestrian, and transit infrastructure, road connectivity, and safety projects. 	<p>DPZ DHCD HCPSS OOT DPW</p>	<p>Mid-Term</p>

Table 10-1: Implementation Matrix

Policy and Implementing Actions	Lead Agency	Timeframe (Mid-Term five-year, Long-Term six+ years, Ongoing)
<p>2. Appoint an Adequate Public Facilities Ordinance (APFO) task force within one year of General Plan adoption to review and provide recommendations for APFO updates that reflect the vision and policies in HoCo By Design.</p>	<p>DPZ OOT DHCD DPW HCPSS</p>	<p>Mid-Term</p>