



**Maryland Department of Planning
Operating Budget Question Responses
February 13, 2018**

Issues

Former State Development Plan Rescinded and Rebranded

- 1. The Department of Legislative Services (DLS) recommends that MDP comment on how it plans to balance the bottom-up planning needs of local jurisdictions with the top-down plans for State programs and infrastructure, such as housing, transportation, education, Chesapeake Bay restoration, economic development, historic preservation, and climate change.***

Planning Response: Planning respects the delegation of planning and zoning authority to local governments that occurred many years ago and does not view the situation as bottom-up at the local level contrasted with top-down at the state level. Every genuine planning effort should be a bottom-up approach and should be happening at the local as well as the state level. The current process of listening to each jurisdiction and attempting to coordinate state programs and investment is attempting to refocus on developing useful strategies that produce results rather than mere effort while re-evaluating each of the areas where the state's investment has the ability to achieve the greatest impact.

We are respecting local authority and anticipate moving from a state mandate approach, and beyond a mere avoidance of conflict approach, to a more collaborative approach that recognizes the unique challenges faced by each jurisdiction and acknowledging that one size does not fit all. Local authority needs to be recognized and respected. Shifting from a position of state mandates to a position of collaboration and assistance is critical to long term success. One size does not fit all as the state has regional and local differences that need to be recognized and addressed with different solutions.

The level of investment by state agencies for housing, transportation, education and economic development within the priority funding areas is appropriate and in fact will increase. Furthermore, the level of effort to protect and restore the Chesapeake Bay and historic and natural resources will not be diminished as these are part of the stated goals and objectives of the new state development plan as set forth in the executive order.

MHAA Funding Increases

- 1. DLS recommends that MDP comment on its plan for funding the legislative request of \$1.5 million for the MHT Grant Fund specified in Chapter 513 and on the status of convening the working group on the MHAA Program impact study. DLS also recommends that the \$42,797 in special funds budgeted in the Preservation Services program be reduced and that MDP provide a report with the fiscal 2020 budget submission detailing the funding plan for the MHAA Financing Fund for the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance.***

Planning Response: The funding provided for in Chapter 513 is not mandatory as the law was passed subject to the limitations of the budget. The legislative request of \$1.5 million for the MHT Grant Fund could not be accommodated within the limitations of the Department's FY2019 budget. Funded at \$900,000 in FY2019, the MHT Grant Fund does include a \$100,000 increase over FY2018 funding levels. Increases in funding will continue to be sought by the Department in future fiscal years.

MHAA staff are in the process of convening the working group on the MHAA Program Impact study. The first meeting is scheduled for February 26, 2018. Representatives from MHAA, MHAA's Technical Advisory Committee, the Maryland Coalition of Heritage Areas, and the Office of Tourism Development will explore how best to capture the impact of the Maryland Heritage Areas Program, looking at not just economic impact, but other more qualitative impacts, such as quality of life and preservation of heritage resources. Because the heritage areas have unique boundaries that do not align with more traditional boundaries (counties, municipalities), and those boundaries are often 'invisible' to the visitor, it is challenging to capture the impact of the program using standard methodologies. The working group will explore study strategies, create a template for a study, and identify ways to support the study on a recurring basis so that current impact data is regularly available.

Please note that both the funding and the duties of the position located in the Preservation Services program are shared between the MHAA Program and the Capital Historic Preservation Grant Program. This position will spend 50% of her time administering MHAA capital grants and 50% of her time administering MHT Historic Preservation capital grants. Therefore, the MHAA operating funding that is being allocated to this position should not be eliminated.

MDP will submit a report with the fiscal 2020 budget submission detailing the funding plan for the MHAA Financing Fund for the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance.

2020 Census Preparations

1. ***DLS recommends that MDP comment on Maryland's current status relative to the 2020 Census preparations and whether it is on track to meet its goals. DLS also recommends that MDP comment on the staffing and resource levels for the 2010 Census and how they compare to the 2020 Census staffing and resources, and whether the federal government is providing sufficient support for MDP's activities.***

Planning Response: Census 2020 preparations are on track. Comparing the 2010 staffing and resource levels to 2018 is complicated for a number of reasons. Technological advances have improved our analytical efficiency and communication methods. The staffing levels are comparable to the levels of the 2010 census and the current staff are more qualified and include two PhD's. The addition of contractual positions and allocating a portion of existing staff responsibilities to the census will also increase our capabilities. We have been working well with our federal census partners who were impressed with our actions on the Local Update of Census Addresses. Although we have enjoyed sufficient technical support from our federal census partners to date, we are not expecting that there will be any significant federal financial support for any state's efforts this census.

Operating Budget Recommended Actions

1. *Adopt the following narrative:*

Maryland Heritage Areas Authority Financing Fund Spending Plan: *The committees are concerned that there is an additional \$3.0 million in the Maryland Department of Planning's (MDP) fiscal allowance for the Maryland Heritage Areas Authority (MHAA) Financing Fund without a detailed spending plan being available. Therefore, the committees request that MDP provide a report with the fiscal 2020 budget submission detailing the spending plan for the MHAA Financing Fund for the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance.*

Planning Response: Accept

2. *Reduce funding for the Maryland Heritage Areas (MHAA) Financing Fund special funds budgeted in the Preservation Services program. The MHAA Financing Fund is authorized to use up to 10% of transfer tax funds to pay the operating expenses of the authority. There is no connection between the authority and the Preservation Services program and so the funding is reduced.*

Total Special Fund Reductions: \$42,797

Planning Response: Reject

It is appropriate to fund this position with MHAA operating funds because the position will spend 50% of their time administering the Capital Historic Preservation Grant Program and 50% of their time administering capital grants awarded under the MHAA grant program.

This position is located in the Preservation Services program, rather than in the Office of Management and Planning, because recipients of both MHAA and MHT capital grants are generally required to convey historic preservation easements to MHT. MHT's Historic Preservation Easement Program is located in the Preservation Services program. Therefore, there are benefits to ensuring that these staff have the opportunity to work closely together in the same unit.