TITLE: Priority Funding Area (PFA) Revision

FILE NUMBER:

REQUEST: Present a proposed revision to the Priority Funding Area (PFA) map for the Hamptons West development for a recommendation to the County Council.

STAFF: Jim Gugel, Planning Director

RECOMMENDATION: Recommend designation of the PFA revision

Enclosures:
Staff Report
July 24, 2018

Frederick County Division of Planning & Permitting

Staff Report
Priority Funding Area Revision

ISSUE
Staff is proposing a revision to the Priority Funding Areas (PFA) mapping regarding the Hamptons West development and a planned school site in the Linganore Planned Unit Development (PUD). This revision is presented to the Frederick County Planning Commission for their review and recommendation to the County Council.

BACKGROUND
The proposed revision will be presented to the County Planning Commission for their review and recommendation, which will be forwarded to the County Council. The County Council will take action to designate the PFA map revision and the County Executive will certify the revision for submission to the Maryland Department of Planning (MDP).

The Maryland General Assembly passed the Neighborhood Conservation and Smart Growth initiatives (Smart Growth Act) in 1997. This legislation enhanced the Growth Act passed in 1992 that established the seven visions to guide growth and development throughout the State. The Smart Growth initiatives go much further by establishing a variety of State programs and fiscal tools in an effort to protect sensitive areas, plan for better growth, and direct resources. The State’s Smart Growth toolbox includes a wide range of policies and programs that address land preservation, economic development, neighborhood revitalization, transportation, environmental protection, and other initiatives.

One of the elements of the Smart Growth Act of 1997 is the designation of Priority Funding Areas (PFA’s) throughout Maryland. This Act:

“... Requires the State to target funding for ‘growth related’ projects to Priority Funding Areas (PFA’s) beginning October 1, 1998. Growth related projects are defined in the legislation and include most State Programs which encourage or support growth and development such as highway, sewer and water construction, economic development assistance, and State leases and construction of new office facilities.”

What are PFA’s and how are they used
The Priority Funding Area concept is essentially a funding mechanism to guide where State funding, for both capital projects and programs, can be targeted. PFA’s are not a planning tool used by the local jurisdictions to identify appropriate growth areas. In fact the designation of PFA’s by a local jurisdiction follows a designation or revision of growth areas and the subsequent application of zoning and water/sewer service classifications. A PFA designation is not used to justify a rezoning application or a request to amend a water/sewer classification.
**Types of PFA’s**
The Smart Growth Act identified several types of PFA categories with criteria to determine which properties would be eligible for designation as a PFA. The criteria address existing conditions as well as how new development may be designated.

*Industrial and Employment Areas*
- Properties zoned principally for industrial use as of January 1, 1997 may be designated as a PFA.
- Properties zoned after January 1, 1997 must meet the following criteria:
  - Must be within a locally designated growth area
  - Must be served by an existing public sewer system
  - There is no density threshold

*Existing Communities*
- Communities developed as of January 1, 1997 may be designated if they meet the following:
  - Served by a public sewer system
  - Within a locally designated growth area
  - Must have a minimum average density of 2 dwellings/acre
  - Undeveloped portions of the community may be designated if the permitted density is at least 2 dwellings/acre
  - Existing communities with only public water service, but not sewer service may be designated if it within a locally designate growth area and has a minimum developed density of 2 dwellings/acre.

*Areas Other Than Existing Communities*
This category would include portions of our Community Growth Areas that may only have a land use plan designation and may either be zoned Agricultural or have some other residential, commercial, or industrial zoning but were not developed as of January 1997. The following criteria would apply to these areas:
- Within a locally designated growth area
- Within a planned 10-year water/sewer service area
- Proposed residential development must have a minimum permitted density of 3.5 du/acre
- Areas must reflect a long-term development policy for orderly growth

*Rural Villages*
This category recognizes existing, small communities that support the rural economy. There are no water/sewer or minimum density criteria. The only criterion is that they must have been identified on a county comprehensive plan as of July 1, 1998. This ‘State’ term (Rural Village) is generally consistent with our Rural Community designation on the County Comprehensive Plan.

*Municipalities*
Municipalities that existed as of January 1, 1997 are designated as PFA’s regardless of whether they are served by a public water/sewer system and do not have a minimum density threshold. Annexations that occur after January 1997 must be certified by MDP and for residential developments must have a minimum permitted density of 3.5 dwellings/acre.

*Other Pre-defined Areas*
The PFA legislation also identified several pre-defined PFA areas that may overlap the county and municipal certified areas. These other areas include:
- Inner Beltway Area
- Heritage Area
- Designated Neighborhood
- Enterprise Zone
Who “Certifies” the PFA Map?
While each county’s governing body designate and certify its PFA map, it does not necessarily mean that the State will concur with all of PFA designations. The MDP reviews each county’s PFA map and identifies whether a PFA designation is a Compliance Area/Eligible for Funding or is a Comment Area.

It is important to note that even though the counties are given the opportunity to designate and certify their own PFA map it is still the State’s PFA map that applies when a project using state funding is under consideration. If a project is located within a County certified PFA but is shown on the State’s map as a Comment Area then the project would not be eligible for state funding unless the property is able to fully meet the PFA criterion or an exemption is requested from the State’s Coordinating Committee.

PROPOSED PFA REVISION
Unless a specific type of PFA status is designated (as described under the ‘Type of PFA’) all three of the following criteria generally need to be met in order for the state to recognize a property as meeting the requirements for a PFA status.

County PFA Criteria
- **Community Growth Areas** – property must be located within a locally designated Community Growth Area (CGA).
- **Zoning** – property must have zoning other than Agricultural, R-1, or Resource Conservation. If zoned residential then it must allow for a minimum density of 3.5 dwellings/acre.
- **Water/Sewer Plan Classification** – property must have a classification of at least S-5/W-5 which indicates that service is planned within a 10-year time frame.

Hamptons West Revision
The Hamptons West development within the Linganore PUD lost its PFA status in 2010 when the property was removed from the Linganore growth area and was rezoned from PUD to Agricultural. In 2012 the property was added back to the Linganore community growth area, designated Low Density Residential, and in 2014 was rezoned to PUD. As part of the rezoning review a planned elementary school site was shifted from the Woodridge development of the Linganore PUD to the Hamptons West property.

This school site is now proposed to be developed under the East County Area Elementary site in the County’s Adopted FY 2019-2024 Capital Improvements Program (CIP). In order for the County to receive state funding towards construction of the school the site must be located in a PFA.

The proposed Hamptons West revision meets the PFA criteria as follows:
1. The property including the school site and fire station site are located within the Linganore community growth area, designated Low Density Residential.
2. All three properties are zoned Planned Unit Development (PUD), which would allow for a minimum density of 3.5 dwellings/acre.
3. All three properties are currently classified S-3/W-3 (service within 3 years) on the County Water and Sewer Plan.
RECOMMENDATION
Staff finds that the properties meet the County PFA criteria and would recommend designation of the proposed Hamptons West PFA revision.

PLANNING COMMISSION ACTION

MOTION TO RECOMMEND

I move that the Planning Commission recommend designation of the Hamptons West PFA revision based on the findings of the staff report and the testimony, exhibits, and documentary evidence produced at the public meeting.