

**D40W01**  
**Department of Planning**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 15</u> <u>Actual</u>	<u>FY 16</u> <u>Working</u>	<u>FY 17</u> <u>Allowance</u>	<u>FY 16-17</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$12,493	\$12,821	\$13,235	\$415	3.2%
Deficiencies and Reductions	0	129	-35	-164	
<b>Adjusted General Fund</b>	<b>\$12,493</b>	<b>\$12,950</b>	<b>\$13,200</b>	<b>\$250</b>	<b>1.9%</b>
Special Fund	4,419	4,513	4,402	-111	-2.5%
Deficiencies and Reductions	0	0	-3	-3	
<b>Adjusted Special Fund</b>	<b>\$4,419</b>	<b>\$4,513</b>	<b>\$4,399</b>	<b>-\$114</b>	<b>-2.5%</b>
Federal Fund	2,104	1,503	1,455	-47	-3.2%
Deficiencies and Reductions	0	160	-3	-163	
<b>Adjusted Federal Fund</b>	<b>\$2,104</b>	<b>\$1,663</b>	<b>\$1,453</b>	<b>-\$210</b>	<b>-12.7%</b>
Reimbursable Fund	824	1,006	959	-47	-4.7%
Deficiencies and Reductions	0	0	0	0	
<b>Adjusted Reimbursable Fund</b>	<b>\$824</b>	<b>\$1,006</b>	<b>\$959</b>	<b>-\$47</b>	<b>-4.7%</b>
<b>Adjusted Grand Total</b>	<b>\$19,840</b>	<b>\$20,132</b>	<b>\$20,011</b>	<b>-\$121</b>	<b>-0.6%</b>

- The Governor has submitted a deficiency appropriation for the fiscal 2016 operating budget, which would increase the Maryland Department of Planning’s (MDP) general fund appropriation by \$200,000 for personnel expenses in the Parcel Mapping Section, increase the federal fund appropriation by \$94,076 for a grant to maintain the historic appearance of the U.S.S. Constellation, and increase the federal appropriation by \$66,250 for inventorying and providing context for historic properties associated with the women’s suffrage movement, and to prepare a National Historic Landmark nomination for Tolson’s Chapel.
- The overall adjusted change in the MDP 2017 allowance is a decrease of \$120,692, or 0.6%. The major change is a decrease of \$239,292 in the Management Planning and Educational Outreach program for Maryland Heritage Areas Authority grants to certified heritage tourism areas.

Note: Numbers may not sum to total due to rounding.

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## ***Personnel Data***

	<b><u>FY 15</u></b> <b><u>Actual</u></b>	<b><u>FY 16</u></b> <b><u>Working</u></b>	<b><u>FY 17</u></b> <b><u>Allowance</u></b>	<b><u>FY 16-17</u></b> <b><u>Change</u></b>
Regular Positions	151.00	147.00	145.00	-2.00
Contractual FTEs	<u>11.70</u>	<u>17.87</u>	<u>20.34</u>	<u>2.47</u>
<b>Total Personnel</b>	<b>162.70</b>	<b>164.87</b>	<b>165.34</b>	<b>0.47</b>

### ***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	7.92	5.46%
Positions and Percentage Vacant as of 12/31/15	16.00	10.88%

- Overall, the MDP regular positions have been reduced from 151.0 in the fiscal 2016 legislative appropriation to 145.0 in the fiscal 2017 allowance. Two positions were reduced as part of cost containment and 2.0 positions (vacant Human Resources Director and filled Human Resources Officer positions) were transferred to the Department of Budget and Management as part of a shared services arrangement thus bringing the position complement to 147.0 in the fiscal 2016 working appropriation. In addition, 2.0 positions are abolished in the fiscal 2017 allowance: a principal planner in Communications and Intergovernmental Affairs and a planner V in Planning Services.
- MDP has 1.0 position that has been vacant for more than a year: an administrator I since November 28, 2014, in Management Planning and Educational Outreach. MDP notes that a hiring freeze exemption is being prepared in order to allow for recruiting for the position, which will be moved to Research Survey and Registration in order to serve as the administrator of architectural research.
- Contractual full-time equivalents (FTE) increase by a net of 2.47 in the fiscal 2017 allowance. This reflects an increase of 1.83 FTEs in Research Survey and Registration, 0.33 FTEs in Preservation Services, and 0.31 FTEs in Management Planning and Educational Outreach.
- The MDP turnover rate has been increased from 5.40% to 5.46% in the fiscal 2017 allowance reflecting a shift from 7.94 necessary vacancies to 7.92 vacancies. This turnover is currently being met given the 16.00 vacancies, or 10.88% vacancy rate, as of December 31, 2015.

## *Analysis in Brief*

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### Major Trends

***Declining Local Government Reporting on Required Smart Growth Measures:*** As part of the 2015 *Local Government Annual Reporting* 23 counties and Baltimore City and 108 municipalities were required to submit annual reports providing indicators corresponding to the establishment of smart and sustainable growth. However, MDP only received 60% of county reports and only 61% of municipality reports in the calendar 2015 reporting period. Overall, the three years of data reflects a downward trend in the submission of the required annual reports despite the MDP efforts to make the annual reporting process easier. **The Department of Legislative Services (DLS) recommends that MDP comment on how it plans to improve the consistency of the data and increase the level of participation.**

***Residential Acreage Data Showing a Negative Trend Relative to the Priority Funding Area:*** The trend between calendar 1997 and 2014 reflects a greater percentage of residential parcels being created inside the Priority Funding Area (PFA), but the acreage of residential parcels is greater outside the PFA. This suggests that there is large lot development occurring outside the PFA, which calls into question the effectiveness of smart growth as a whole. However, the 2015 *Local Government Annual Reporting* report does reflect that the percentage of residential parcels being created inside the PFA has increased since calendar 2008 after an almost 68-year period of decline. **DLS recommends that MDP comment on the effectiveness of smart growth given the greater percentage of residential parcel acres being developed outside the PFA.**

***Maryland Archaeological Conservation Laboratory Still Has Storage Capacity but It Is Going Fast:*** The number of artifacts and documents accessed and treated annually at the Maryland Archaeological Conservation Laboratory raises the question of how much storage capacity remains at the facility. The available storage space is expected to last no longer than five years. MDP is pursuing several measures to increase the longevity of the storage space including storage box consolidation, removal of non-archaeological collections, and deaccessioning collections. **DLS recommends that MDP comment on the role that imaging and other archival technologies might play in maintaining storage space at the Maryland Archaeological Conservation Laboratory without requiring the retention of physical objects.**

### Issues

***Planning Data Services Shortfall:*** The Planning Data Services program administers MdProperty View – a visual presentation of Maryland jurisdiction tax maps and parcel information. As noted in the 2015 session’s analysis, MdProperty View ideally would be self-sustaining: State government agencies (reimbursable fund revenue) and the public (special fund revenue from local governments, businesses, and citizens) would pay for subscriptions and thus defray the costs of administering the program. However, this has not been the case. In addition, the fiscal 2016 budget was balanced using \$200,000 in Parcel Mapping Fund funding that was no longer available due to a fund swap for fiscal 2015 as part of the January 7, 2015 Board of Public Works cost containment actions. There is a fiscal 2016

deficiency of \$200,000 in general funds to replace the \$200,000 special fund shortfall. **DLS recommends that MDP comment on alternative methods for handling the funding shortfall.**

**Maryland Heritage Areas Authority Grants Funding Restored by Existing Project Grants:** As part of the fiscal 2016 budget deliberations, the Administration withdrew State transfer tax revenue that would have supported \$300,000 of the Maryland Heritage Areas Authority’s fiscal 2015 special fund appropriation. MDP processed a budget amendment to increase an appropriation that was no longer supported by the withdrawn revenue. In order to remedy the situation, MDP performed a review of balances and was able to cover the \$300,000 revenue shortfall with a combination of cancelled encumbrances, grantee projects that did not proceed, and residual funds not expended from completed projects. MDP indicates that this combination of activities leaves a Maryland Heritage Areas Authority Financing Fund balance of approximately \$76,000, which will be used to fund requests for emergency grants. **DLS recommends that MDP comment on how a similar revenue shortfall situation can be avoided in the future and on the process by which it evaluates the opportunity to cancel encumbrances, withdraw funding from projects that have failed to move forward, and reconcile funding left over from completed projects.**

**Preliminary State Development Plan Deliberations Underway:** The Administration is making progress toward putting its stamp on a new version of the State development plan. This revamping of the State plan – previously called PlanMaryland – involves re-assessing the goals, objectives, and implementation strategies of the plan and is being addressed from a number of policy angles: the role of PFAs in rural growth and development, Reinvest Maryland website changes, a new Transfer of Development Rights Ad Hoc Committee Study, a new strategic plan, and a new Sustainable Growth and Conservation Indicators Status Check website. **DLS recommends that MDP comment on the overall framework being considered for a State development plan, how all of the pieces noted above will fit into this framework, the related costs of development of the plan and more specifically the Local Government Planning Resource Center, and on how the Department of Natural Resources’ Genuine Progress Indicator informs and could be incorporated into the Sustainable Growth and Conservation Indicators Status Check website.**

## Recommended Actions

	<u>Funds</u>	<u>Positions</u>
1. Abolish a regular position and funding.	\$ 52,409	1.0
<b>Total Reductions</b>	<b>\$ 52,409</b>	<b>1.0</b>

## **Updates**

***Smart Growth Funding Report:*** There is an annual reporting requirement under State Government Article Section 9-1406(i) for growth-related capital programs. The overall trend since fiscal 2011 is an increasing percentage of State capital spending inside PFAs – designated mostly urbanized areas where growth is to be focused – relative to spending outside PFAs. State spending declined to a low of 45% inside PFAs in fiscal 2011 and since then increased to 90% in fiscal 2015. Between fiscal 2014 and 2015, State spending inside PFAs increased by two percentage points from 88% to 90%. The primary reason for the slight increase in the percentage of funding inside PFAs between fiscal 2014 and 2015 is due to spending by the Department of Housing and Community Development – Community Development Association’s acquisition or construction of newly constructed multifamily rental housing. An ongoing positive trend is reflected in the Maryland Department of Transportation spending, which increased inside the PFA for the third straight year.

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***Operating Budget Analysis***

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**Program Description**

The Maryland Department of Planning (MDP) provides information and services that aid State and local governments and nonprofit organizations in supporting desirable growth in Maryland. MDP consists of an administrative unit and the programmatic units as described as follows.

- **State Clearinghouse (Formerly, Communications and Intergovernmental Affairs)** incorporates the State Clearinghouse for Intergovernmental Assistance and formerly also included the MDP intergovernmental affairs unit, which guided education and outreach efforts, which will now be handled in the MDP administrative unit. The Clearinghouse facilitates intergovernmental review and coordinates review of applications for federal and State financial assistance, proposals for direct federal development programs, drafts of environmental impact statements, State plans requiring gubernatorial review, and other actions requiring intergovernmental coordination.
- **Planning Data and Research (Formerly, Planning Data Services)** collects, analyzes, and publishes social, economic, and geographic information relating to the State and its political subdivisions; identifies and evaluates development issues; and prepares reports and studies on specific topics for the Governor and the General Assembly. The program also disseminates U.S. Census and U.S. Department of Commerce information to State and local governments and the private sector.
- **Planning Coordination (Formerly, Planning Services)** provides technical services to improve the planning and management capacity of local governments. The program's Centreville, Cumberland, and Salisbury regional offices help local governments with land-use planning, zoning, and urban design issues.
- **Management Planning and Educational Outreach** provides administrative support for the Division of Historical and Cultural Programs and administers noncapital grants and the Maryland Heritage Areas Authority (MHAA) Program.
- **Office of Museum Services** provides technical assistance to approximately 220 historic and cultural museums and operates the Jefferson Patterson Park and Museum in Calvert County.
- **Office of Research, Survey, and Registration** seeks to advance research, documentation, evaluation, and retrieval of information about Maryland's historical and cultural resources through the Maryland Inventory of Historic Properties and National Register of Historic Places. The program also handles nominations to the National Register of Historic Places.

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- **Office of Preservation Services** seeks to protect and enhance historical and cultural properties in Maryland through State and federal regulatory reviews, historic preservation easements, and historic rehabilitation tax credits. The program also administers capital loans and grants.

The MDP goals have changed, reflecting a shift away from explicitly targeting resources to Priority Funding Areas (PFA) – designated mostly urbanized areas where growth is to be focused – under Chapter 759 of 1997 (“Smart Growth” and Neighborhood Conservation – “Smart Growth” Areas) and the inclusion of goals relevant to the Division of Historical and Cultural Programs and MHAA, which were merged with MDP in fiscal 2006, but previously had not been included in the MDP goals in its Managing for Results (MFR) submission. The MDP primary goals are as follows:

- **Goal 1** – Provide efficient State Clearinghouse review of federal, State, and local plans and projects requiring intergovernmental coordination.
- **Goal 2** – Provide timely data and intelligent tools to aid in implementation of State and local land use, conservation, community enhancement, and business development policies.
- **Goal 3** – Support and enhance the vitality of towns, cities, and rural centers with existing or planned infrastructure.
- **Goal 4** – Encourage economic development by enhancing historical resources and leveraging non-State investment.
- **Goal 5** – Protect and interpret historic resources.

## **Performance Analysis: Managing for Results**

The discussion of the MDP fiscal 2017 MFR submission incorporates two measures from the *2015 Local Government Annual Reporting* report required as part of Land Use Article Section 1-208, and one measure from the MDP MFR submission. The first measure reflects declining local government reporting on required smart growth measures, which may be related to the MDP third goal – support and enhance the vitality of towns, cities, and rural centers with existing or planned infrastructure. The second measure reflects that residential acreage data is showing a negative trend relative to the PFA; this measure is also relevant for the MDP third goal. The third measure relates to the MDP third goal to protect and interpret historic resources and reflects that the Maryland Archaeological Conservation Laboratory still has storage capacity, but it is going fast.

### **1. Declining Local Government Reporting on Required Smart Growth Measures**

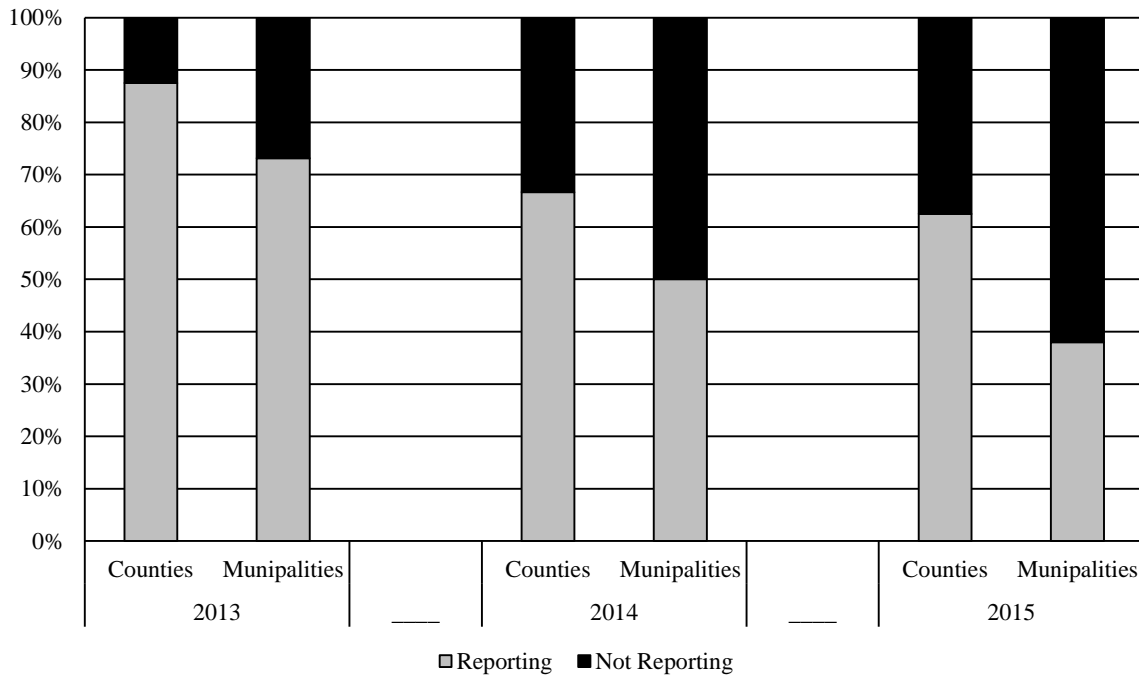
MDP notes in the *2015 Local Government Annual Reporting* report required under Land Use Article Section 1-207 that the calendar 2015 reporting period is the seventh year that the 23 counties



and Baltimore City and 108 municipalities were required to submit annual reports providing indicators corresponding to the establishment of smart and sustainable growth. Indicators include the following: (1) the amount, share, and net density of growth inside and outside the PFAs; (2) the creation of new lots and the issuance of residential and commercial building permits inside and outside the PFAs; (3) the development capacity analysis, updated every three years and whenever there is a significant change in zoning or land use patterns; (4) the number of acres preserved using local agricultural land preservation funding, if applicable; and (5) information on achieving the statewide land use goal of increasing the current percentage of growth inside the PFAs.

As shown in **Exhibit 1**, MDP received only 63% of county reports and only 38% of municipality reports in the calendar 2015 reporting period. Overall, the three years of data reflects a downward trend in the submission of the required annual reports despite the MDP efforts to make the annual reporting process easier. **The Department of Legislative Services (DLS) recommends that MDP comment on how it plans to improve the consistency of the data and increase the level of participation.**

**Exhibit 1**  
**Local Governments Providing Annual Reporting on Smart Growth**  
**Calendar 2013-2015**



Note: There are 23 counties and Baltimore City and 108 municipalities that are required to report.

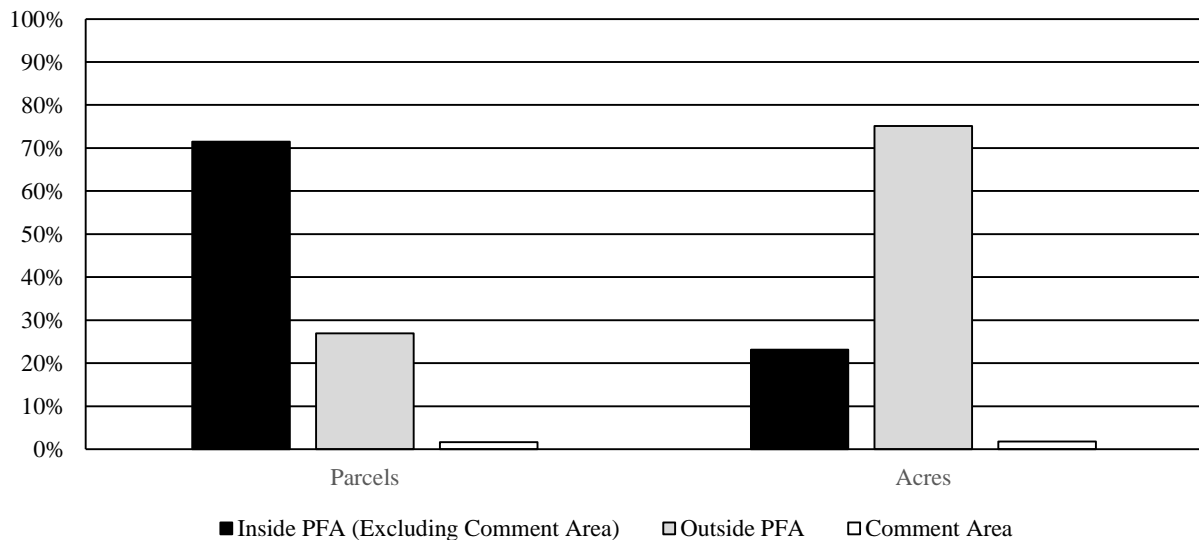
Source: Maryland Department of Planning, *2015 Local Government Annual Reporting*

## 2. Residential Acreage Data Showing a Negative Trend Relative to the Priority Funding Area

Another component of the *2015 Local Government Annual Reporting* report is data provided from the MDP parcel data and associated analysis that shows the percent of residential parcels and acres by PFA. The MDP report notes that the PFA consists of approximately 1,236,867 acres in Maryland, covering approximately 20.0% of the land area in the State. Of these 1,236,867 acres, approximately 68,222 acres, or 5.5%, are classified as PFA Comment Areas – areas designated as PFAs by jurisdictions that do not meet the PFA criteria.

As shown in **Exhibit 2**, the data for calendar 2014 reflects a greater percentage of residential parcels have been created inside the PFA than outside the PFA, but there is also a greater percentage of residential parcel acreage developed outside the PFA than inside the PFA. This suggests that there is large lot development occurring outside the PFA, which calls into question the effectiveness of smart growth as a whole. However, the *2015 Local Government Annual Reporting* report does reflect that the percentage of residential parcels being created inside the PFA has increased since calendar 2008 after an almost 68-year period of decline. **DLS recommends that MDP comment on the effectiveness of smart growth given the greater percentage of residential parcel acres being developed outside the PFA.**

**Exhibit 2**  
**Percent Residential Parcels and Acres by PFA**  
**Calendar 2014**



PFA: Priority Funding Area

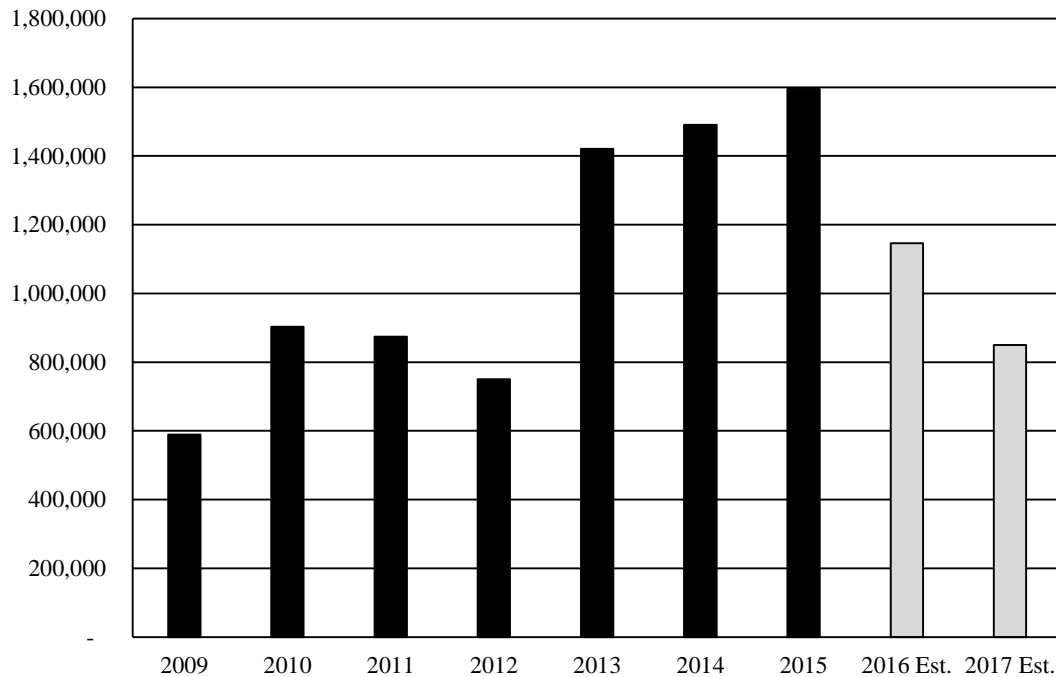
Source: Maryland Department of Planning, *2015 Local Government Annual Reporting*

### 3. Maryland Archaeological Conservation Laboratory Still Has Storage Capacity but It Is Going Fast

The Maryland Archaeological Conservation Laboratory is an archaeological research, conservation, and curation facility housed at Jefferson Patterson Park and Museum. It is a clearinghouse for archaeological collections associated with land-based and underwater projects conducted by State and federal agencies and for major collections acquired through private donation.

As shown in **Exhibit 3**, the number of artifacts and documents accessed and treated at the Maryland Archaeological Conservation Laboratory peaked over the time period shown in fiscal 2015 at 1,595,204 and is anticipated to decline to 850,000 in the fiscal 2017 estimate. MDP notes that between fiscal 2010 and 2015 the Smith St. Leonard Site – the home lot of an early eighteenth century tobacco plantation in Calvert County – has generated approximately 900,000 artifacts per year. However, in fiscal 2016 and 2017, excavation at the Smith St. Leonard Site will be reduced as a result of a State Highway Administration (SHA) project and other projects, which thus reduces the number of artifacts and documents accessed and treated at the Maryland Archaeological Conservation Laboratory.

**Exhibit 3**  
**Maryland Archaeological Conservation Laboratory Artifacts and Documents**  
**Accessed and Treated**  
**Fiscal 2009-2017 Estimated**



Source: Department of Budget and Management

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The number of artifacts and documents accessed and treated annually at the Maryland Archaeological Conservation Laboratory raises the question of how much storage capacity remains at the facility. MDP notes that the overall collections storage area capacity of the Maryland Archaeological Conservation Laboratory consists of the following:

- **Compactible Shelving** – Holds 10,352 boxes and is currently at 8,194 boxes, or 79% of the limit.
- **Oversize Shelving** – Holds 784 square feet and is currently near the limit.
- **Floor Space** – Holds 1,404 square feet (54 feet by 26 feet) and is currently at the limit.

The available storage space is expected to last no longer than five years. This projection is based on the routine accession of approximately 190 boxes per year to which is added the following collections over the next five years: Coursey project (400 boxes), Smith St. Leonard (250 boxes), Archaeological Society of Maryland (150 boxes), and the University of Maryland (50 boxes). In order to handle the increased storage needs, MDP has taken or is considering taking the following measures.

- **Box Consolidation** – Consolidated several large collections in fiscal 2011.
- **Removal of Non-Archaeological Collections** – Removed Banneker-Douglas Museum (765 square feet or about 560 boxes) and the Louis Goldstein Collection (250 square feet of oversized shelving).
- **Deaccessioning** – Exploring the idea of deaccessioning collections, but there are very few appropriate objects.

**DLS recommends that MDP comment on the role that imaging and other archival technologies might play in maintaining storage space at the Maryland Archaeological Conservation Laboratory without requiring the retention of physical objects.**

## **Fiscal 2016 Actions**

Three categories of actions impact the MDP fiscal 2016 budget: proposed deficiencies, a 2% across-the-board reduction, and a targeted reversion.

### **Proposed Deficiency**

The Governor has submitted three fiscal 2016 deficiency appropriations for operations purposes. The deficiencies would increase the MDP general fund appropriation by \$200,000, and increase the federal fund appropriation by \$160,326. The funding would be used as follows:

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- **Parcel Mapping Section Personnel Expenses** – An increase of \$200,000 in general funds in Planning Data and Research to support personnel expenses as a result of a January 2015 Board of Public Works (BPW) action that swapped out special funds for general funds in the fiscal 2015 budget, which meant that the special fund balance was not available to support fiscal 2016 spending.
- **U.S.S. Constellation Repairs** – An increase of \$94,076 in federal funds from the U.S. Department of the Interior – National Park Service’s National Maritime Heritage Grants Program for a grant to maintain the historic appearance of the U.S.S. Constellation – an historic U.S. frigate – by repairing the spars, fighting tops, and running rigging.
- **Women’s Suffrage Movement and Tolson’s Chapel** – An increase of \$66,250 in federal funds from the U.S. Department of the Interior – National Park Service’s Historic Preservation Fund Grants-In-Aid for inventorying and providing context for historic properties associated with the women’s suffrage movement, and to prepare a National Historic Landmark nomination for Tolson’s Chapel – an historic African American church located at Sharpsburg in Washington County.

**Cost Containment**

The MDP fiscal 2016 budget is reduced by the 2% across-the-board reduction implemented in the 2015 legislative session. The MDP share of the reduction was \$267,000 in general funds and 2 abolished positions as shown in **Exhibit 4**.

**Exhibit 4**  
**2% Across-the-board Reductions for MDP**  
**Fiscal 2016**

<u>Program</u>	<u>Action</u>	<u>Funding</u>	<u>Position</u>
Communications and Intergovernmental Affairs (now State Clearinghouse)	Abolish vacant designated administrative manager IV as duties will be assumed by Assistant Secretary (\$136,197), and fill a position at a lower salary than the prior incumbent (\$32,564).	\$168,761	1.00
Planning Data Services (now Planning Coordination)	Fill a regular position at a lower salary than the prior incumbent.	37,270	0.00
Research Survey and Registration	Abolish a vacant administrator I position (\$57,787), and reduce applications software maintenance funding (\$3,182).	60,969	1.00
<b>Total</b>		<b>\$267,000</b>	<b>2.00</b>

MDP: Maryland Department of Planning

Source: Department of Budget and Management

### Targeted Reversion

There is a targeted reversion of \$71,127 in general funds. The reversion is associated with an agreement to share human resources services with the Department of Budget and Management (DBM). This is part of a larger agreement that DBM has with smaller agencies such as MDP. The agreement began on August 1, 2015, and involves DBM advertising for MDP new positions, among other human resources services. Specifically, the reduction of \$71,127 reflects salaries and fringes for existing human resources personnel that MDP will no longer need. This human resources sharing initiative will be discussed further in the DBM – Personnel budget analysis.

### Proposed Budget

The MDP fiscal 2017 adjusted allowance decreases by \$120,692, or 0.6%, relative to the fiscal 2016 working appropriation, as shown in **Exhibit 5**. The changes by fund in Exhibit 5 reflect an increase of \$250,277 in general funds, a decrease of \$113,571 in special funds, a decrease of \$210,410 in federal funds, and a decrease of \$46,988 in reimbursable funds. Fiscal 2017 personnel changes and operating expenditures are discussed as follows.

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Employee increments and associated expenses (including Social Security, retirement, unemployment compensation, and turnover) are included in the budget of DBM, and \$212,395 in total funds comprised of \$177,193 in general funds, \$11,099 in special funds, \$13,019 in federal funds, and \$11,083 in reimbursable funds will be distributed to MDP by budget amendment for the start of the fiscal year.

**Exhibit 5  
Proposed Budget  
Department of Planning  
(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
Fiscal 2015 Actual	\$12,493	\$4,419	\$2,104	\$824	\$19,840
Fiscal 2016 Working Appropriation	12,950	4,513	1,663	1,006	20,132
Fiscal 2017 Allowance	<u>13,200</u>	<u>4,399</u>	<u>1,453</u>	<u>959</u>	<u>20,011</u>
Fiscal 2016-2017 Amount Change	\$250	-\$114	-\$210	-\$47	-\$121
Fiscal 2016-2017 Percent Change	1.9%	-2.5%	-12.7%	-4.7%	-0.6%

**Where It Goes:**

**Personnel Expenses**

Retirement contribution .....	\$222
Employee and retiree health insurance.....	128
Salaries and other compensation .....	-89
Abolished/transferred 2.0 positions.....	-233
Social Security contribution .....	-16

**Other Changes**

***Programmatic Funding***

Contractual services increases.....	143
Maryland Heritage Areas Authority grants .....	-239
One-time deficiency funding for U.S.S. Constellation.....	-94
One-time deficiency funding for women’s suffrage and Tolson’s Chapel.....	-66

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**Where It Goes:**

*Routine Operations*

Shared human services costs with DBM .....	95
Contractual full-time equivalents increase by 2.47 .....	47
Grants management software .....	33
DBM paid telecommunications .....	32
Printing and reproduction costs .....	-42
Rent paid to the Department of General Services .....	-37
Other .....	-5
<b>Total</b>	<b>-\$121</b>

DBM: Department of Budget and Management

Note: Numbers may not sum to total due to rounding.

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**Personnel**

**Changes by Category**

The MDP overall personnel expenditures increase by \$12,161 in the fiscal 2017 adjusted allowance. This increase accounts for one across-the-board reduction that reduces the MDP personnel expenses by \$40,702. The personnel changes are as follows.

- **Retirement Contribution** – Retirement contribution costs increase by \$221,985.
- **Employee and Retiree Health Insurance** – Employee and retiree health insurance costs increase by \$128,474.
- **Salaries and Other Compensation** – Salary expenses decrease by \$88,728.
- **Abolished/Transferred 2.0 Positions** – Regular positions decrease by 2.0 and \$233,387 in associated funding for a principal planner in the Communications and Intergovernmental Affairs program and a planner V in the Planning Coordination program. MDP notes that the principal planner’s duties have been divided between a redistricting team in the Planning Data and Research program, which will provide for broader coverage and improved responsiveness. The planner V’s duties will be reassigned to regional planners in order to help them understand local concerns regarding how water and sewer planning drive development patterns.



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- ***Social Security Contribution*** – Social Security contribution decreases by \$16,233.

### **Other Changes**

Overall, the nonpersonnel portion of the MDP fiscal 2017 adjusted allowance decreases by \$132,853. The areas of change may be broadly categorized as programmatic funding and routine operations. The biggest change is a decrease of \$239,292 in the Management Planning and Educational Outreach program for Maryland Heritage Areas Authority grants to certified heritage tourism areas.

### **Programmatic Funding**

The programmatic funding changes in the fiscal 2017 adjusted allowance are as follows.

- ***Contractual Services Increases*** – Contractual services increase by \$142,653, primarily as a result of the following: an increase of \$40,000 in general funds in the Management Planning and Educational Outreach program for annual software licenses for Maryland Historical Trust staff office computers and firewall; an increase of \$44,000 in special funds in the Research Survey and Registration program due to an award from a newly established Positive Train Control Cultural Resource Fund, which supports cultural and historic preservation projects carried out by Tribal Nations and State Historic Preservation Offices and is supported by funding created by a memorandum of understanding between the Federal Communications Commission and seven Class I freight rail companies; an increase of \$17,000 in general funds in the Research Survey and Registration program for maintenance costs of historic monuments around the State based on the expectation that a Gubernatorial executive order will transfer the Governor’s Commission on Maryland Military Monuments from the Department of Veterans Affairs to MDP in calendar 2016; and an increase of \$40,000 in general funds in Museum Services – Jefferson Patterson Park and Museum in order to fund mandatory expenses for software licenses for staff office computers, firewall updates and maintenance, and upgrading aged equipment.
- ***Maryland Heritage Areas Authority Grants*** – Maryland Heritage Areas Authority grants decrease by \$239,292 in special funds from \$3,029,265 to \$2,800,000. This primarily reflects a one-time fiscal 2016 budget amendment that increased the appropriation for grants to nine recipients on the fiscal 2016 “Reserve List” and two emergency grants since prior grants had been completed under budget or were cancelled. MDP notes that the fiscal 2017 funding of \$2,800,000 includes \$2,700,000 for heritage area grants and \$100,000 for emergency grants in the heritage area program, if funds are available.
- ***One-time Deficiency Funding for U.S.S. Constellation*** – There is a reduction of funding between fiscal 2016 and 2017 due to the one-time nature of the deficiency funding for a grant to maintain the historic appearance of the U.S.S. Constellation.

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- ***One-time Deficiency Funding for Women’s Suffrage and Tolson’s Chapel*** – There is a reduction of funding between fiscal 2016 and 2017 due to the one-time nature of the deficiency funding for inventorying and providing historic context for historic properties associated with the women’s suffrage movement, and to prepare a National Historic Landmark nomination for Tolson’s Chapel.

**Routine Operations**

- ***Shared Human Resources Services Costs with DBM*** – There is an increase of \$94,836 in general funds in Administration for sharing human resources services with DBM.
- ***Contractual Full-time Equivalent (FTE) Increase by 2.47*** – There is an increase of \$47,119 for 2.47 contractual FTEs comprised of the following: 1.83 FTEs in Research Survey and Registration based on the annualized cost of an administrator I architectural historian who will be hired in fiscal 2016 (a 0.33 FTE increase) and that additional funds from SHA will expand a 0.5 FTE specialist position to 2.0 FTEs; 0.33 FTEs in Preservation Services to annualize the cost of an easement inspector who will be hired in fiscal 2016; and 0.31 FTEs in Management Planning and Educational Outreach for handling increased easement document processing needs.
- ***Grants Management Software*** – Grants management software funding accounts for an increase of \$32,810 across the agency.
- ***DBM Paid Telecommunications*** – DBM paid telecommunications increases by a net of \$32,142, comprised of an increase of \$55,743 in Administration and decreases of \$20,534 in Planning Data Services and \$3,067 in Planning Services.
- ***Printing and Reproduction Costs*** – Printing and reproduction costs decrease across the agency by \$41,905, which primarily reflects a decrease in the Management Planning and Educational Outreach program’s funding by \$29,000 due to the completion of the Captain John Smith Trails brochure project in fiscal 2016 and a reduction of \$10,000 due to the split funding of Archeology Synthesis project publications over the next two years in the Research Survey and Registration program.
- ***Rent Paid to the Department of General Services*** – There is a reduction of \$36,988 in special funds in the Management Planning and Educational Outreach program to reflect the determination that rent for office space in the City of Baltimore is not an appropriate use of Maryland Heritage Areas Authority special funds received from the transfer tax allocation; general funds for rent will be budgeted directly in the Department of General Services’ budget and the \$36,988 will instead be available in fund balance for additional grants or new Maryland Heritage Areas Authority initiatives.

## **Across-the-board Reductions**

The fiscal 2017 budget bill includes an across-the-board reduction for employee health insurance, based on a revised estimate of the amount of funding needed. This agency's share of these reductions is \$35,360 in general funds, \$2,617 in special funds, and \$2,725 in federal funds. There is an additional across-the-board reduction to abolish positions statewide, but the amounts have not been allocated by agency.

## ***Issues***

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### **1. Planning Data Services Shortfall**

The Planning Data Services program administers MdProperty View – a visual presentation of Maryland jurisdiction tax maps and parcel information. As noted in last year’s analysis, MdProperty View ideally would be self-sustaining: State government agencies (reimbursable fund revenue) and the public (special fund revenue from local governments, businesses, and citizens) would pay for subscriptions and thus defray the costs of administering the program. However, this has not been the case due to there being ways to obtain either a simplified version of the MdProperty View data or to obtain the data without becoming a subscriber. As a result, the MDP State agency and public revenues have declined.

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 2016. In addition, in the January 7, 2015 BPW cost containment actions, the Administration reduced fiscal 2015 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 instead was used in fiscal 2015. As a result, the fiscal 2016 budget was balanced using \$200,000 in special funds that did not exist because they were being used in fiscal 2015 and so there was a \$200,000 shortfall in fiscal 2016.

As noted previously, there is a fiscal 2016 deficiency of \$200,000 in general funds to replace the \$200,000 special fund shortfall. **DLS recommends that MDP comment on alternative methods for handling the funding shortfall.**

### **2. Maryland Heritage Areas Authority Grants Funding Restored by Existing Project Grants**

As part of the fiscal 2016 budget deliberations, the Administration withdrew State transfer tax revenue that would have supported \$300,000 of the Maryland Heritage Areas Authority’s fiscal 2015 special fund appropriation. The fiscal 2016 operating budget bill, as introduced, included a withdrawn appropriation of \$32,464,457 for operating and pay-as-you-go (PAYGO) capital programs in the Department of Natural Resources (DNR) and MDP. The withdrawn appropriation was necessitated by a write-down in the transfer tax revenue estimate. In a typical year, the transfer tax revenue write-down would have been handled two fiscal years following. However, the Budget Reconciliation and Financing Act (BRFA) of 2013 and the BRFA of 2014 had already authorized a fiscal 2015 transfer of transfer tax revenue to the General Fund of \$75,062,000 and \$69,126,544, respectively, for a total of \$144,188,544 in fiscal 2015. These transfers reduced most of the appropriation for PAYGO capital programs and so any further reductions, necessitated by the revenue shortfall, needed to be taken from operating budget programs. This is reflected in **Exhibit 6**. There was only \$13,144,795 in remaining

PAYGO funding after the two BRFA transfers, which was insufficient to cover the fiscal 2015 \$32,464,457 revenue estimate shortfall.

**Exhibit 6**  
**Cumulative Transfer Tax Transfer and Revenue Shortfall Impacts**  
**Fiscal 2015**

<u>Funding Action</u>		<b>Funding Reduction Impact</b>	
		<u>Operating Programs</u>	<u>PAYGO Programs</u>
Original Revenue Estimate	\$193,482,000		
Overattainment from Fiscal 2013 Applied to Fiscal 2015	9,101,966		
<b>Revenue Available</b>	<b>\$202,583,966</b>	<b>\$45,250,627</b>	<b>\$157,333,339</b>
BRFA of 2013 Transfer Affecting Fiscal 2015	-\$75,062,000		-\$75,062,000
BRFA of 2014 Transfer Affecting Fiscal 2015	-69,126,544		-69,126,544
<b>Fiscal 2015 Available Funding Before Revenue Estimate Shortfall</b>	<b>\$58,395,422</b>	<b>\$45,250,627</b>	<b>\$13,144,795</b>
Revenue Estimate Shortfall	-\$32,464,457	-\$25,340,636	-\$7,123,821
<b>Fiscal 2015 Final Funding Available</b>	<b>\$25,930,965</b>	<b>\$19,909,991</b>	<b>\$6,020,975</b>

BRFA: Budget Reconciliation and Financing Act

PAYGO: pay-as-you-go

Note: Numbers may not sum to total due to rounding.

Source: Department of Legislative Services

**Exhibit 7** reflects the fiscal 2015 withdrawn appropriations for the operating and PAYGO capital programs. The MDP allocation of the \$32,464,457 transfer tax revenue estimate shortfall was the \$300,000 in special funds that support Maryland Heritage Areas Authority grants. As noted in Exhibit 7, the Maryland General Assembly restored the \$300,000 special fund appropriation to MDP but acknowledged that the appropriation was no longer supported by the transfer tax revenue due to how the transfer tax revenue shortfall was allocated by the Administration. In order to support the restored appropriation, the General Assembly rejected the proposed transfer of \$209,000 from the Maryland Heritage Areas Authority Financing Fund’s balance and noted the availability of another \$74,812 that remained in the fund balance. In combination, this alternative revenue supported approximately \$283,812 of the restored \$300,000 special fund appropriation.

**Exhibit 7**  
**Transfer Tax Revenue Estimate Write-down Impacts**  
**Fiscal 2015**

<u>Budget/Program</u>	<u>Reduction</u>	<u>Mitigation Plan</u>
<b>Operating Budget</b>		
DNR – Maryland Park Service	\$25,040,636	This funding was replaced partially by \$22,783,636 in general funds and the repurposing of \$1,740,000 in payment in lieu of taxes funding for local jurisdictions as a result of a provision in the BRFA of 2015 striking the payment provision. In addition, there was a provision in the BRFA of 2015 authorizing the use of any fiscal 2015 transfer tax revenue over \$161,016,000 for (1) administrative expenses related to land acquisition for POS; (2) critical maintenance projects in DNR; (3) Natural Resources Development Fund projects in DNR; and (4) replacement of general fund appropriations in the Maryland Park Service.
MDP – Maryland Heritage Areas Authority	300,000	The General Assembly rejected the proposed transfer of \$209,000 from the Maryland Heritage Areas Authority Financing Fund’s fund balance and noted the availability of another \$74,812 that remained in the fund balance. In combination, this provided for approximately \$283,812 of the restored \$300,000 special fund appropriation.
<b>Subtotal</b>	<b>\$25,340,636</b>	
<b>PAYGO/Capital Budget</b>		
DNR – Natural Resources Development Fund	\$4,535,821	The General Assembly authorized an equivalent amount of GO bond funding in order to restore the appropriation.
DNR – Ocean City Beach Replenishment Fund	500,000	The General Assembly authorized an equivalent amount of GO bond funding in order to restore the appropriation.
DNR – Critical Maintenance Program	2,088,000	The General Assembly authorized an equivalent amount of GO bond funding in order to restore the appropriation.
<b>Subtotal</b>	<b>\$7,123,821</b>	
<b>Total</b>	<b>\$32,464,457</b>	

BRFA: Budget Reconciliation and Financing Act  
 GO: general obligation  
 PAYGO: pay-as-you-go

DNR: Department of Natural Resources  
 MDP: Maryland Department of Planning  
 POS: Program Open Space

Source: Department of Legislative Services

MDP did not account for the withdrawal of the transfer tax revenue because the appropriation was restored and the Comptroller did not immediately withdraw the transfer tax revenue authority. As a result, MDP assumed the transfer tax revenue was still available and subsequently processed a budget amendment to increase the Maryland Heritage Areas Authority's appropriation by \$229,265 in special funds in October 2015. This action is assumed to have used the majority of funding that would have been used to support the \$300,000 restored special fund appropriation. In November 2015, MDP realized that the transfer tax revenue had been withdrawn by the Comptroller in August 2015 and, thus, there was approximately \$300,000 in fiscal 2015 encumbered funding that would need to be canceled if revenue, sufficient to fund the projects, could not be found.

Realizing that there was nothing that could be done to restore the transfer tax revenue authority withdrawn for fiscal 2015, MDP performed a review of balances and was able to cover the \$300,000 revenue shortfall with a combination of cancelled encumbrances, grantee projects that did not proceed, and residual funds not expended from completed projects. MDP indicates that this combination of activities leaves a Maryland Heritage Areas Authority Financing Fund balance of approximately \$76,000, which will be used to fund requests for emergency grants. This fund balance is greater than the \$24,000 previously reported as a result of additional projects that were completed without spending all of their grant funds. **DLS recommends that MDP comment on how a similar revenue shortfall situation can be avoided in the future and on the process by which it evaluates the opportunity to cancel encumbrances, withdraw funding from projects that have failed to move forward, and reconcile funding left over from completed projects.**

### **3. Preliminary State Development Plan Deliberations Underway**

The Administration is making progress toward putting its stamp on a new version of the State development plan. This revamping of the State plan – previously called PlanMaryland – involves reassessing the goals, objectives, and implementation strategies of the plan and is being addressed from a number of policy angles: the role of PFAs on rural growth and development, Reinvest Maryland website changes, a new Transfer of Development Rights Ad Hoc Committee Study, a new strategic plan, and a new Sustainable Growth and Conservation Indicators Status Check website. The progress on these policy angles is as follows.

- **Reinvest Maryland** – The O'Malley Administration requested that the Maryland Sustainable Growth Commission make recommendations to accelerate infill, redevelopment, and revitalization efforts given that this will not happen without a deliberate effort. The commission published a report in September 2014 based on this charge. In the report, infill was defined as development of vacant parcels within previously built areas. Redevelopment was defined as building or rebuilding to a higher and better use for the community on parcels, previously developed. Revitalization was defined as instilling new life and vitality into a community through infill or redevelopment or other activities (*e.g.*, building reuse and renovations, façade improvements, beautification efforts, small business loans, and special events). The Hogan Administration has revamped the Reinvest Maryland website but has not published the final product. MDP notes that it will delay releasing the updated website until a new Sustainable

Growth Commission chairman is appointed in March 2016. This will allow the new chairman to review and comment on the product.

- **PFA Impacts on Rural Communities** – The MDP Planning Coordination program staff is working with communications staff to develop a tool to help the public understand the impact of PFAs on rural communities. The work involves coordination with the MDP assistant Attorney General on development of an Excel spreadsheet, which shows all of the criteria possibilities for PFA eligibility. MDP notes that the spreadsheet is complex and, thus, currently is only being used internally by staff to ensure consistent evaluation of PFA inquiries. A simplified form of this spreadsheet is also being developed for general public use, which is expected to be ready in draft form in March 2016 to share with the Sustainable Growth Commission’s Rural Economies Workgroup and then with a broader peer review group.
- **Transfer of Development Rights Ad Hoc Committee Study** – Transfer of development rights was authorized for one of the State’s easement purchase programs – the Rural Legacy Program, a core piece of the State’s smart growth legislation – by Chapter 648 of 2000 (Natural Resources – Transferable Development Rights – Rural Legacy Program). Transfer of development rights programs are also implemented by several county governments. MDP initiated a Transfer of Development Rights Ad Hoc Committee Study in order to find ways to make such programs more successful. The study is in final draft form with next steps including review by county leadership involved in the study followed by stakeholders and the public.
- **Strategic Plan 2015 to 2018** – MDP recently issued a strategic plan for the calendar 2015 to 2018 time period based on a May 2015 directive from the Governor’s Office of Performance Improvement. One of the activities noted in the strategic plan is the creation of a Local Government Planning Resource Center. MDP notes that the center would make available to county and municipal governments planning resources such as geographic information system data sets, mapping and technical assistance in order to increase collaboration, and implementation of planning best practices.
- **Sustainable Growth and Conservation Indicators Status Check Website** – MDP intends to create a Sustainable Growth and Conservation Indicators Status Check website. The website is still under development but would eventually provide decision makers with a single comprehensive view of their community profile with the intent to help evaluate progress toward State goals for the following: economic development, agricultural and natural resources conservation, socio-economic stability (including education, health, transportation, and quality of life indicators), and land uses (residential, commercial, and industrial).

**DLS recommends that MDP comment on the overall framework being considered for a State development plan, how all of the pieces noted above will fit into this framework, the related costs of development of the plan and more specifically the Local Government Planning Resource Center, and how DNR’s Genuine Progress Indicator informs and could be incorporated into the Sustainable Growth and Conservation Indicators Status Check website.**



***Recommended Actions***

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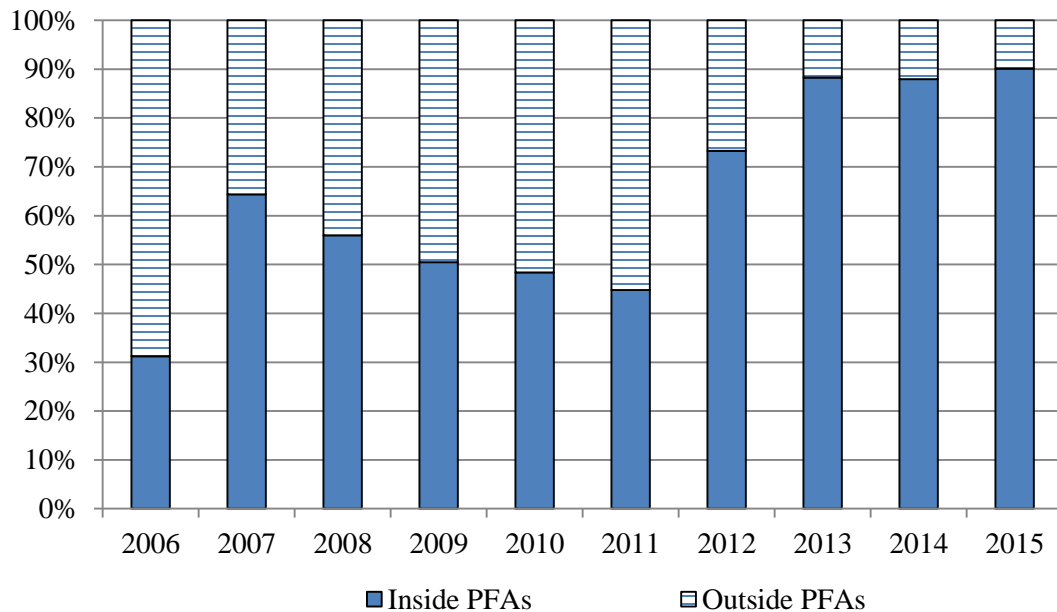
	<b><u>Amount Reduction</u></b>		<b><u>Position Reduction</u></b>
1. Abolish a regular position and funding. An administrator I position has been vacant since November 28, 2014, more than a year, in Management Planning and Educational Outreach. The Maryland Department of Planning (MDP) notes that a hiring freeze exemption is being prepared in order to allow for recruiting for the position, which will be moved to Research Survey and Registration in order to serve as the administrator of architectural research. However, MDP has 8.08 more vacancies than are needed for turnover as of December 31, 2015, and therefore one of those positions can be used for this purpose.	\$ 52,409	GF	1.0
<b>Total General Fund Reductions</b>	<b>\$ 52,409</b>		<b>1.0</b>

## Updates

### 1. Smart Growth Funding Report

There is an annual reporting requirement under State Government Article Section 9-1406(i) for growth-related capital programs. The overall trend since fiscal 2011 is an increasing percentage of State capital spending inside PFAs – designated mostly urbanized areas where growth is to be focused – relative to spending outside PFAs. As shown in **Exhibit 8**, State spending declined to a low of 45% inside PFAs in fiscal 2011 and since then increased to 90% in fiscal 2015. Between fiscal 2014 and 2015, State spending inside PFAs increased by two percentage points from 88% to 90%.

**Exhibit 8**  
**State Spending Inside and Outside of the PFA**  
**Fiscal 2006-2015**



PFA: Priority Funding Area

Note: The data includes Maryland Historical Trust programs and public school construction even though these expenditures are not mandated to be included in PFA's spending disclosure. The data does not include Maryland Department of Transportation spending that could not be tied to a particular place.

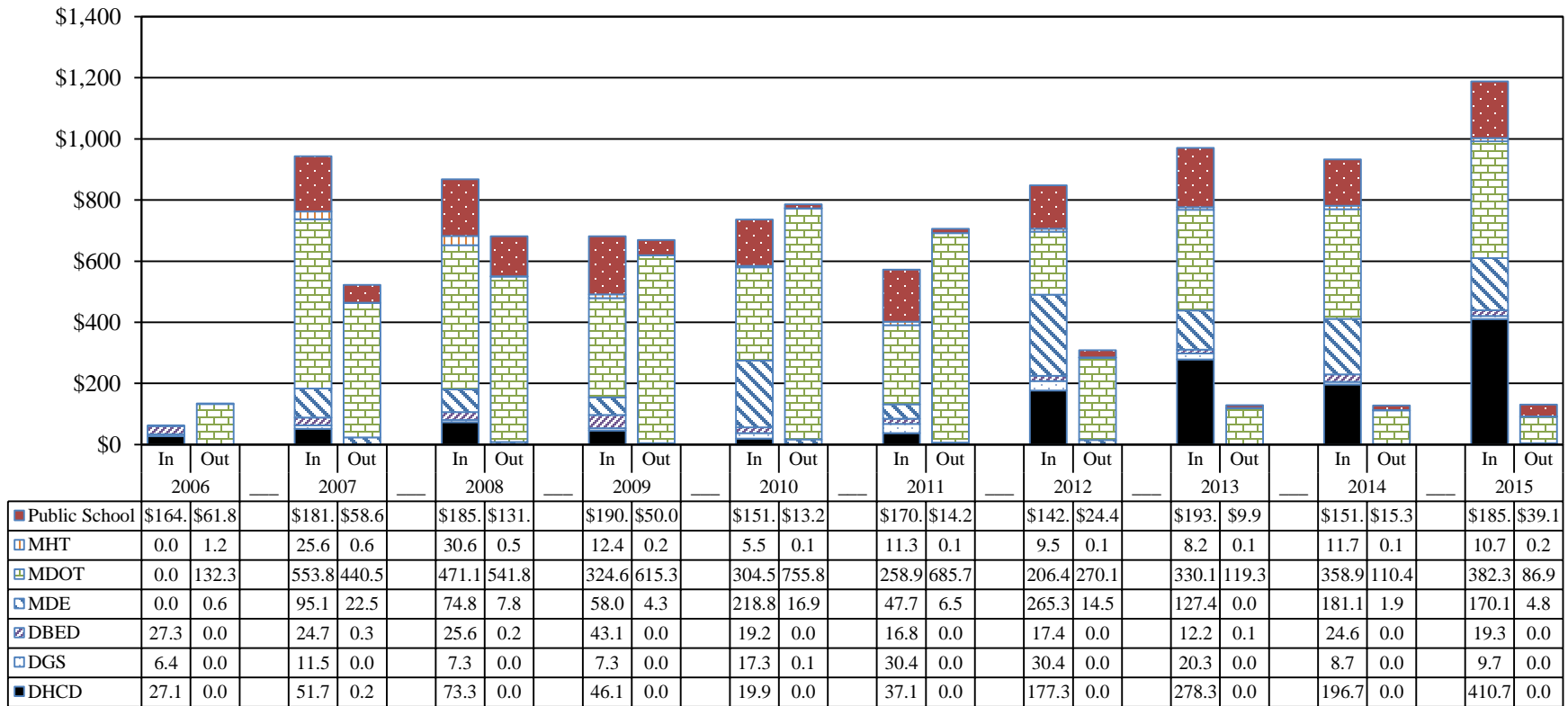
Source: Maryland Department of Planning

The primary reason for the slight increase in the percentage of funding inside PFAs between fiscal 2014 and 2015 is due to spending by the Department of Housing and Community Development –

*D40W01 – Department of Planning*

Community Development Association's acquisition or construction of newly constructed multifamily rental housing, as shown in **Exhibit 9**. In fact, multifamily rental housing is both the greatest percent increase and the greatest absolute amount of change, \$214.0 million, in the spending inside the PFA between the two years. An ongoing positive trend is reflected in Maryland Department of Transportation (MDOT) spending, which increased inside the PFA for the third straight year. Over the time period shown, the primary reason for the increase in the percentage of funding inside PFAs is spending by MDOT. For instance, MDOT spent \$685.7 million outside of the PFAs in fiscal 2011, primarily due to InterCounty Connector spending, which was down to \$86.9 million in fiscal 2015.

**Exhibit 9**  
**Funding Inside and Outside of PFAs**  
**Fiscal 2006-2015**  
**(\$ in Millions)**



DBED: Department of Business and Economic Development  
DGS: Department of General Services  
DHCD: Department of Housing and Community Development  
Source: Maryland Department of Planning

MDE: Maryland Department of the Environment  
MDOT: Maryland Department of Transportation  
MHT: Maryland Historical Trust

## ***Current and Prior Year Budgets***

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### **Current and Prior Year Budgets Maryland Department of Planning (\$ in Thousands)**

	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2015</b>					
Legislative Appropriation	\$12,879	\$4,437	\$1,755	\$982	\$20,054
Deficiency Appropriation	150	0	588	0	738
Cost Containment	-686	0	0	0	-686
Budget Amendments	150	278	82	0	511
Reversions and Cancellations	0	-297	-321	-158	-776
<b>Actual Expenditures</b>	<b>\$12,493</b>	<b>\$4,419</b>	<b>\$2,104</b>	<b>\$824</b>	<b>\$19,840</b>
<b>Fiscal 2016</b>					
Legislative Appropriation	\$12,631	\$4,272	\$1,491	\$1,006	\$19,399
Budget Amendments	190	241	12	0	443
<b>Working Appropriation</b>	<b>\$12,821</b>	<b>\$4,513</b>	<b>\$1,503</b>	<b>\$1,006</b>	<b>\$19,842</b>

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. Numbers may not sum to total due to rounding.

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## **Fiscal 2015**

The general fund appropriation decreased by \$385,994. The changes are as follows.

- **Deficiency Appropriation** – An increase of \$150,000 for utilities at the Jefferson Patterson Park and Museum.
- **Cost Containment** – A decrease of \$686,409 to reflect July 2014 BPW actions that deleted a position and reduced funding for a vacant administrator III in the Communications and Intergovernmental Affairs program (\$69,258) and reduced funding for the Maryland Humanities Council grant (\$26,750); January 2015 BPW actions that reduced funds and substituted excess special funds in the Parcel Mapping Fund to cover certain operating expenses (\$200,000), and deleted funding for research on the Battle of Brooklyn as the project cannot be pursued at this time (\$131,694); and the January 2015 2% reduction for contractual services across the agency (\$258,707).
- **Budget Amendments** – A net increase of \$150,464 due to budget amendments allocating the cost-of-living allowance (COLA) effective January 1, 2015 (\$95,098), personnel classifications in the Planning series in order to increase pay equal to DNR planners as part of the annual salary review (\$57,282), and to realign appropriations between State agencies based on the fiscal 2015 estimated expenditures for telecommunications (\$48,084). These appropriation increases were offset partially by a reduction to allocate the State Employee Voluntary Separation Program as authorized by Section 22 of the fiscal 2016 operating budget bill (\$50,000).

The special fund appropriation decreased by \$18,868. The changes follow.

- **Budget Amendments** – An increase of \$278,401 for backfilling the \$200,000 general fund reduction as part of the January 7, 2015 BPW cost containment actions and for other year-end closing costs from the remainder of the Parcel Mapping Fund balance from prior year Maryland Property View sales (\$272,000), and for allocating the COLA effective January 1, 2015 (\$6,401).
- **Cancellations** – A decrease of \$297,269 primarily due to cancellations in the Museum Services program due to insufficient revenue to fund utilities and contractual services and due to 2.5 positions being vacant (\$149,095); the Research Survey and Registration program due to contractual FTEs not being filled, contractual services not being procured due to staff workloads, and an SHA publication not being ready for printing until fiscal 2016 (\$83,462); and the Management Planning and Educational Outreach program due to a contractual FTE being filled for half of a year instead of a full year, no publications being produced due to staff workloads, projects currently in production not being ready yet, and reduced spending on supplies (\$55,110).

### *D40W01 – Department of Planning*

The federal fund appropriation increased by \$348,908. The changes are as follows.

- **Deficiency Appropriation** – An increase of \$587,979 from the U.S. Department of the Interior – National Park Service in the Management Planning and Educational Outreach was used for two purposes. The first purpose was to provide disaster relief to historic properties damaged by Hurricane Sandy using Historic Preservation Fund Grants funding (\$545,889). The second purpose was to provide funds for a pocket guide to the Captain John Smith Chesapeake National Historic Trail from National Trails System Project funding (\$42,090).
- **Budget Amendments** – An increase of \$81,655 due to budget amendments for funding in Planning Services for the Smart Growth Information Clearinghouse website on behalf of the Smart Growth Network using the U.S. Environmental Protection Agency’s Environmental Policy and Innovation Grants funding that was awarded in November 2014 (\$40,000); covering salary turnover in the Office of Research Survey and Registration and Office of Preservation Services from National Park Service’s Historic Preservation Fund Grants-In-Aid funding (\$34,964); and for allocating the COLA (\$6,691).
- **Cancellations** – A decrease of \$320,726 primarily as a result of cancellations in the Management Planning and Educational Outreach program due to a Hurricane Sandy grant and contractual services expenditures being less than anticipated due to insufficient time to implement the program (\$312,681).

The reimbursable fund appropriation decreased by \$157,739 due to cancellations. The cancellations primarily were in the Museum Services program due to lower than anticipated SHA Scorpion project conservation services and further delays in the T-21 grant administered by SHA (\$101,626); and the Research Survey and Administration program due to the SHA archeology synthesis project not being ready for printing and a delay in a T-21 grant administered by SHA (\$54,113).

## **Fiscal 2016**

The MDP general fund appropriation increases by \$190,000 due to a budget amendment that allocates the funding in Section 48 of the fiscal 2016 budget bill that restored the 2% State salary reduction.

The MDP special fund appropriation increases by \$241,265 due to budget amendments. The budget amendments increase the Management Planning and Education Outreach appropriation in order to allocate Maryland Heritage Areas Authority grants to nine recipients on the fiscal 2016 Reserve List and two emergency grant recipients since prior grants have been completed under budget or have been cancelled (\$229,265); and to allocate the funding in Section 48 of the fiscal 2016 budget bill that restored the 2% State salary reduction (\$12,000).

The MDP federal fund appropriation increases by \$12,000 due to a budget amendment allocating the funding in Section 48 of the fiscal 2016 budget bill that restored the 2% State salary reduction.

The MDP reimbursable fund appropriation has not changed.

### *Analysis of the FY 2017 Maryland Executive Budget, 2016*

**Object/Fund Difference Report  
Department of Planning**

<u>Object/Fund</u>	<u>FY 15 Actual</u>	<u>FY 16 Working Appropriation</u>	<u>FY 17 Allowance</u>	<u>FY 16 - FY 17 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	151.00	147.00	145.00	-2.00	-1.4%
02 Contractual	11.70	17.87	20.34	2.47	13.8%
<b>Total Positions</b>	<b>162.70</b>	<b>164.87</b>	<b>165.34</b>	<b>0.47</b>	<b>0.3%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 13,476,762	\$ 13,907,878	\$ 14,089,614	\$ 181,736	1.3%
02 Technical and Spec. Fees	386,483	730,404	777,523	47,119	6.5%
03 Communication	189,717	137,145	168,198	31,053	22.6%
04 Travel	94,437	74,095	84,990	10,895	14.7%
06 Fuel and Utilities	355,371	356,733	365,295	8,562	2.4%
07 Motor Vehicles	72,042	93,804	79,416	-14,388	-15.3%
08 Contractual Services	1,011,092	720,516	938,685	218,169	30.3%
09 Supplies and Materials	141,520	118,593	121,628	3,035	2.6%
10 Equipment – Replacement	129,812	35,169	34,169	-1,000	-2.8%
11 Equipment – Additional	11,877	5,539	5,000	-539	-9.7%
12 Grants, Subsidies, and Contributions	3,892,740	3,576,265	3,336,973	-239,292	-6.7%
13 Fixed Charges	78,189	86,182	50,041	-36,141	-41.9%
<b>Total Objects</b>	<b>\$ 19,840,042</b>	<b>\$ 19,842,323</b>	<b>\$ 20,051,532</b>	<b>\$ 209,209</b>	<b>1.1%</b>
<b>Funds</b>					
01 General Fund	\$ 12,492,995	\$ 12,820,934	\$ 13,235,444	\$ 414,510	3.2%
03 Special Fund	4,418,592	4,512,974	4,402,020	-110,954	-2.5%
05 Federal Fund	2,104,347	1,502,701	1,455,342	-47,359	-3.2%
09 Reimbursable Fund	824,108	1,005,714	958,726	-46,988	-4.7%
<b>Total Funds</b>	<b>\$ 19,840,042</b>	<b>\$ 19,842,323</b>	<b>\$ 20,051,532</b>	<b>\$ 209,209</b>	<b>1.1%</b>

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. The fiscal 2017 allowance does not include contingent reductions



**Fiscal Summary  
Department of Planning**

<u>Program/Unit</u>	<u>FY 15 Actual</u>	<u>FY 16 Wrk Approp</u>	<u>FY 17 Allowance</u>	<u>Change</u>	<u>FY 16 - FY 17 % Change</u>
01 Operations Division	\$ 2,770,319	\$ 2,850,731	\$ 3,245,544	\$ 394,813	13.8%
02 State Clearinghouse	1,031,879	982,042	543,976	-438,066	-44.6%
03 Planning Data and Research	2,846,596	2,708,069	3,029,586	321,517	11.9%
04 Planning Coordination	2,563,449	2,742,388	2,593,458	-148,930	-5.4%
07 Management Planning and Educational Outreach	5,701,562	5,256,361	4,997,903	-258,458	-4.9%
08 Museum Services	2,606,633	2,679,132	2,936,391	257,259	9.6%
09 Research Survey and Registration	1,138,519	1,363,807	1,400,539	36,732	2.7%
10 Preservation Services	1,181,085	1,259,793	1,304,135	44,342	3.5%
<b>Total Expenditures</b>	<b>\$ 19,840,042</b>	<b>\$ 19,842,323</b>	<b>\$ 20,051,532</b>	<b>\$ 209,209</b>	<b>1.1%</b>
General Fund	\$ 12,492,995	\$ 12,820,934	\$ 13,235,444	\$ 414,510	3.2%
Special Fund	4,418,592	4,512,974	4,402,020	-110,954	-2.5%
Federal Fund	2,104,347	1,502,701	1,455,342	-47,359	-3.2%
<b>Total Appropriations</b>	<b>\$ 19,015,934</b>	<b>\$ 18,836,609</b>	<b>\$ 19,092,806</b>	<b>\$ 256,197</b>	<b>1.4%</b>
Reimbursable Fund	\$ 824,108	\$ 1,005,714	\$ 958,726	-\$ 46,988	-4.7%
<b>Total Funds</b>	<b>\$ 19,840,042</b>	<b>\$ 19,842,323</b>	<b>\$ 20,051,532</b>	<b>\$ 209,209</b>	<b>1.1%</b>

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. The fiscal 2017 allowance does not include contingent reductions