

**WASHINGTON COUNTY PLANNING COMMISSION  
AND  
CITY OF HAGERSTOWN PLANNING COMMISSION  
JOINT MEETING  
November 12, 2008**

The Washington County Planning Commission and the City of Hagerstown Planning Commission held a joint meeting on Wednesday, November 12, 2008 at 5:00 p.m. in Conference Room 1 of the Washington County Administrative Annex at 80 West Baltimore Street, Hagerstown, Maryland.

**CALL TO ORDER AND INTRODUCTIONS**

Washington County Planning Commission Chairman George Anikis called the meeting to order at 5:00 p.m. and asked all who were present to introduce themselves.

The following members of the Washington County Planning Commission were present: Chairman George Anikis, Clint Wiley, Linda Parrish, Terry Reiber (arrived at 5:30), Andrew Bowen (arrived at 5:30) and Ex-Officio James Kercheval. The following Washington County staff members were also present: Greg Murray, County Administrator; Julie Pippel, Director of Environment Management; Michael Thompson, Planning Director; Steve Goodrich, Chief Planner and Debra Eckard, Administrative Assistant, Washington County Planning Department.

The following members of the City of Hagerstown Planning Commission were present: Chairman Doug Wright, Judy Wheeler, Dennis Miller, Fred Nugent, Doug Stone, Dave Gysberts and Ex-Officio Martin Brubaker. The following members of the City of Hagerstown Planning Department staff were also present: Kathy Maher, Director; Steve Bockmiller, Alex Rohrbaugh, Stuart Bass and Clayton Zug.

**- Growth Element in the City's Comprehensive Plan (H.B. 1141)**

Ms. Maher and Mr. Bass presented a power-point presentation highlighting the House Bill 1141 amendments prepared to meet requirements of the Growth Element and to bring the City's Comprehensive Plan into full compliance. House Bill 1141 requires the Growth Element to include the following: past road patterns, management capacity, growth projections, and growth boundary for annexations. Ms. Maher explained that future annexations must be consistent with their Comp Plan. Services and infrastructure needed to serve growth must be addressed and financing mechanisms must be identified to provide the infrastructure and services. The City's 2008 Comprehensive Plan recommends policies to: strengthen the City's role as the primary provider of urban services, increase economic development, and promote prosperity and fiscal stability.

Mr. Bass stated the City identified the following major concerns in 1997 in Hagerstown: minimal growth, revitalization of the deteriorating urban core in the face of steady growth outside the corporate boundaries, and competition with new residential and economic development investment occurring outside of the City, which the City was making possible by the extension of city water and sewer. Mr. Bass noted that the City of Hagerstown constituted 45% of the population of Washington County in 1950 and 27.8% of the population in 2000. However, at the same time, the population in the suburbs grew dramatically. This change affected the economic health of the City with the 2000 median family income being 22% lower than the County's average and over two-thirds of the population in the urban area living below the poverty level resided within the City. Therefore, the City considered capturing a greater share of the surrounding growth than experienced over the last 50 years. This would allow the city to strengthen their position in the region, increase tax revenues, diversify the socio-economic base, and improve their capability of attracting higher paying jobs.

Ms. Maher stated that the City's Comprehensive Plan places particular emphasis on the relationship between land capacity supply, projected growth and the availability of water and sewer resources to serve growth.

Mr. Bass stated that in 2000, the City was beginning to see a change by benefitting from the Maryland Smart Growth legislation, building moratoriums in Frederick County, lower interest rates, scarcity of affordable land to the east of Washington County and the City's 2002 Annexation Policy.

During the Impact Capacity Analysis, the City's consultant looked at the vacant land within the Urban Growth Area and how it was zoned to determine the acreage and how that would translate into residential/commercial development. It was determined there are 10,000 acres of vacant land outside the City, but within the County's designated UGA that is zoned for residential uses which could generate 22,000 new housing units and 55,000 new residents. There are 227 acres of vacant residentially zoned land and 761 acres of non-residentially zoned land within the City. Ms. Maher noted that most of the vacant acreage in the City is industrially zoned along old railroad corridors. Growth on infill parcels and newly annexed land resulted in a 0.9% growth in population per year in the City between 2000 and 2005. The City anticipates growth will continue due to the higher cost of living and the anticipated job growth to the east. Population growth projections assume continuation of growth at a moderate pace of 1.5% per year through 2027.

In order to determine an appropriate growth boundary, the City analyzed land capacity within the City and the Hagerstown Urban Growth Area. A Medium Range Growth Area (MRGA) was identified within the

designated County Urban Growth Area to guide the City's growth for the next 20 years. The MRGA includes existing residences and businesses that receive city services, creates a rational City boundary with respect to potential annexation, and provides a reduced wastewater service boundary to insure adequate capacity.

Mr. Bass stated that the City spent a lot of time outlining strategies to address the relationship between planned growth and the infrastructure needed to accommodate it. The Plan provides direction for managing the City's water and sewer utilities during that time. Approximately 11,053 EDU's (equivalent dwelling units) of capacity will be available with upgrades to the City's Wastewater Treatment Plant. Approximately 33,460 EDU's to serve new development are available within the UGA using three waste water treatment plants (WWTP). The County Water & Sewer Infrastructure Report found there is potential for development within the UGA that could create a 42,000 EDU shortfall of sewer capacity.

Mr. Bass stated that the City has identified strategies to maximize water and sewer systems capacities, which include coordination with the County, the establishment of priority areas, and continued upgrades to the City's Plan to assess new technology as it becomes available. The City also identified water and sewer service boundaries to allow the City's utilities to serve the projected future demand and to ensure that vacant and under-utilized lands within the existing corporate boundaries will have adequate infrastructure for future development. The Plan's official growth rate is 1.5% per year and the figure upon which water and sewer capacity is calculated. Within the City and the MRGA, a projection of 8,807 EDU's of sewer is needed to serve development through 2027, which allows for 2,246 EDU's remaining. The Plan has established the following priorities: to serve a reasonable amount of growth outside the current City boundary and to insure that infill and redevelopment needs are met. Special consideration will be given to projects outside the MRGA in targeted economic development areas, such as the Airport and Friendship Technology Park.

Ms. Maher stated that the Plan identifies other public services and infrastructure needed to accommodate growth. It identifies the City's top transportation priorities as follows: Eastern Boulevard (the upgrade of the County's portion and extension to Marsh Pike), the Northwest Connector (Haven Road to Salem Avenue), Professional Court extension to the new Hospital site, Paul Smith Boulevard (Route 40 to Alternate 40) and Southern Boulevard (Funkstown By-pass). The Plan included projects from the Board of Education for future schools. Ms. Maher noted that the City has adopted an Adequate Public Facilities Ordinance (APFO) that mirrors the County's APFO. The Plan recommends the relocation of two fire companies currently located close to the City's square. One fire company would relocate to the north and one to the west, which would move them closer to areas of growth. The City's Fire Chief also recommended that fire agencies in the Hagerstown region come together to discuss strategies for addressing growth and service territories with the Mayor and City Council, the County Commissioners and the Town of Funkstown. The Plan also recommends the City's commitment to financially assist the expansion of the Central Library. Ms. Maher noted that the City has recently implemented new open space requirements in their Subdivision Ordinance. The Plan identifies financing mechanisms such as the APFO and Excise Tax, developer contributions and the CIP.

Mr. Bass noted that the 2008 Comprehensive Plan sets forth new City policies that will be implemented through separate decisions, ordinances and laws. The City's Zoning and Subdivision Ordinances will be updated and amended to be consistent with the Plan's recommendations. New zoning districts are recommended to guide the location of higher wage employers and high-quality new residential development in the City, enhance the City's fiscal foundation and broaden the City's economic base.

The City is currently in Phase I of a Comprehensive rezoning with three new proposed mixed use zoning districts. The City's Capital Improvement Program will be updated to include specific projects. The Water and Sewer Element will be forwarded to the County for inclusion in the County's Water and Sewer Plan. The City will prepare additional Comp Plan amendments to complete the Water Resource Element requirements following completion of the County's study.

**Discussion:** Mr. Anikis began a discussion regarding the recommendation that the "end date" of the flow transfer agreement be eliminated. Ms. Maher stated that an "end date" is counter-productive to the reasons for establishing the agreement. Mr. Murray expressed his opinion that the flow transfer agreement needs to address issues in a cooperative manner between the City and County. Mr. Kercheval expressed his concern that the City's current rate structure makes a flow transfer liability to the County. He does not believe that the Plan is focusing on the UGA as a whole, but rather it focuses on the City's MRGA. Originally, the County proposed a three-tier rate structure for flow transfer; however, a two-tier system was established.

Mr. Anikis asked if the MRGA includes support for residential development in the UGA beyond the MRGA in the next 20 years. Mr. Wright stated there would not be enough allocation because the City does not want to by-pass vacant land to get water and sewer to the rural areas and potentially run out of capacity for the MRGA. Mr. Kercheval noted that the City is assuming full use of the City plant and partial use of the Conococheague plant. He believes that the City and County need to work together to develop strategies to provide services outside the MRGA; specifically, economic development areas at the Airport and the Allegheny Technology Center. Planning Commission members from both the City and the County believe that sewer capacity issues need to be addressed by the elected officials.

Mr. Kercheval noted that the City's Comprehensive Plan lists Central Booking as a joint City/County effort. However, Central Booking is a County-wide service and includes all the towns, not just the City of Hagerstown or Washington County.

Mr. Kercheval made an inquiry regarding the City's SCAP (Sewer Capacity Allocation Plan) policy which the Comp Plan implies "will go away" when the Consent Order is lifted. Ms. Maher stated that the City plans to keep a SCAP to manage the provision of service in the future.

Mr. Anikis made an inquiry regarding the Implementation Plan and the City's plans to work with the County to accomplish several of the tasks. He suggested that both Planning Commissions have a time schedule and a lead person to ensure that these tasks are accomplished.

#### **- Shopping Center Vacancy Rate Analysis**

Mr. Rohrbaugh presented a brief report focusing on the vacancy rate of shopping centers in and around Hagerstown. Currently, two major retail shopping centers both in excess of 800,000 square feet are proposed in the greater Hagerstown area. The analysis is based on shopping centers containing more than 40,000 square feet, has a mixture of retail shopping and dining facilities, and includes office space. Out-parcels were also considered, which are incidental to the shopping center. The analysis defined two types of shopping centers: a neighborhood shopping center and a destination shopping center. A neighborhood shopping center would include grocery stores and small personal care businesses and a destination shopping center would attract large anchor stores and large numbers of people (i.e. the Valley Mall). The analysis does not include retail vacancy rates in downtown Hagerstown. A map was attached to the analysis showing the 24 shopping centers included in the analysis. There are 13 shopping centers in the City and 11 shopping centers in the County that were within the City's MRGA.

Mr. Rohrbaugh stated that the vacancy rate in the City is 13.9% or 365,000 square feet of available space. The shopping center with the highest vacancy rate is Long Meadow Shopping Center. According to an article in the *Main Street News*, entitled "Sharp Rise in Shopping Center Vacancies", estimated that by the end of this year the overall vacancy rates of retail shopping centers will be 12.5%. The City has a slightly higher vacancy rate than the national average. Three of the 13 major shopping centers in the City had anchor stores that were vacant, which included the South End Shopping Center (Big Lots), the Giant Eagle shopping center on Burhans Boulevard, and the former Furniture and More shopping center on Wesel Boulevard. Four shopping centers had no vacancies, which included the Centre at Hagerstown, the Kenley Square Shopping Center, the Center at Antietam and Hagerstown Commons.

Mr. Rohrbaugh stated that there are 11 retail centers containing over 40,000 square feet of space outside of the City but within the MRGA. The vacancy rate for these centers is substantially lower (4.4% or 105,040 square feet) than the City's vacancy rate. The shopping center with the highest vacancy rate in the County is Fountainhead Plaza, due to the Martin's grocery store relocating to North Pointe Drive. Two shopping centers in the County currently have no vacancies (Valley Plaza and Old Orchard Centre). The average vacancy rate for all shopping centers in the study are 9.4% or 470,758 square feet.

Performance factors were considered which can greatly affect the "health" of a retail center both positively and negatively. These factors are not constant and can change over time as demographics and transportation infrastructure alter the urban and suburban landscape. Four performance factors have been identified: recently constructed shopping centers, management issues, site issues, and optimally sited locations. Each factor was detailed and its affects on shopping center vacancy rates discussed in the analysis.

The City recommended that consideration should be given to the impact that additional large, retail shopping centers would have on the existing shopping centers. It could result in high vacancy rates for the older, struggling shopping center which would lead to large scale abandonment of these types of centers. In conclusion, the analysis states, "If the trend in retail shopping centers reflects that of national trends, and/or if struggling centers become obsolete, then the community needs to re-evaluate zoning designations and plan for redevelopment where these centers exist."

**Discussion:** There was a brief discussion regarding the analysis report with regard to zoning designations. It was suggested that a mixed use zoning designation may be beneficial in some areas where you could have both residential and office or retail uses. Members also discussed incentives for private developers to redevelop vacant sites. Members discussed the current economic situation, which some believe has slowed down the commercial growth and redevelopment in the area. Mr. Kercheval stated that one of the current lobbying initiatives is an adaptive reuse element. One recommendation is a program similar to historic tax credits in which the developer could receive tax credits for rehabilitating an old building that is not classified as historic.

#### **ADJOURNMENT**

Mr. Anikis adjourned the meeting at 6:30 p.m.

Respectfully submitted,

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George Anikis