



STAFF REPORT

DATE: March 28, 2017

TO: Mayor and City Council
Douglas R. Miller, City Manager

FROM: William W. Neville, AICP, Planning & Zoning Director

RE: Comprehensive Plan Update

The Planning and Zoning Commission has completed a chapter by chapter review of the 2006-09 Comprehensive Plan for the Town of Ocean City, Maryland and determined that updates are necessary. A 'redline' version of the Plan has been prepared to document the following changes:

- Corrections to demographic data and analysis using information from the 2010 Census
- Updated information provided by City Departments through presentations, reports and studies
- Revisions to the text which illustrate Ocean City's successful management strategies and policies
- Edits to reduce duplication of information in all chapters
- Information needed for the next Plan update
- Graphic presentation of data
- Standardized format of each chapter

This deliberate process is consistent with guidance provided by the Maryland Department of Planning and does not propose changes if existing information is still valid in order to maintain continuity in the Comprehensive Plan.

An overview of the Comprehensive Plan changes is provided below and a notebook will be available to each Council Member for review. Staff will present a brief summary at the March 28, 2017 work session in order to keep the Mayor and City Council informed prior to releasing draft updates for agency review and public outreach.

INTRODUCTION

Missing from the last Comprehensive Plan, the introduction provides a context for the current update process and describes how previous versions of the Plan have guided community development in the past.

Significant changes in the overall Plan include:

- ✓ 2010 Census data and 2015 American Community Survey projections
- ✓ Updated information in all chapters
- ✓ Alignment with other plan documents (Strategic, Hazard Mitigation, Tourism, Capital Improvement)
- ✓ Explore new ways to measure change and growth

CHAPTER ONE – POPULATION CHARACTERISTICS AND TRENDS

Information from the 2010 Census was incorporated and used to evaluate change over 10 years since 2000 Census data was used in the last Plan update. Significant changes include:

- ✓ Stable population over 15 years (both resident and seasonal) is a positive indicator in light of national economic recession during this period
- ✓ Census data highlights (resident population only)
 - Increase in senior population (55 and older) up 8.6% since 2000
 - Increase in minority resident population up 1 to 6% since 2000
 - Decrease in resident family population down 2.5% since 2000
- ✓ Projected rate of population growth of 1.5% based on last 10 years of both State and County average rates
- ✓ New statistics on Family characteristics available from Census
- ✓ Still moving away from Demoflush as only method for evaluating seasonal population estimates
- ✓ Identify distinct demographic trend of increase in day trip and short term visitors with unique management implications

CHAPTER TWO – ECONOMIC DEVELOPMENT

Economic trends over the last ten years illustrate the impact of the national recession which was beginning with the last Plan update. New employment

data, tourism sales evaluation and special events are highlighted. Significant changes include:

- ✓ Add new employment data from Census for tracking future changes
- ✓ Emphasize special events as an economic development tool
- ✓ Reference tourism metrics posted on ococean.com
- ✓ Add emphasis on expanded new visitor opportunities such as 'nature based tourism'
- ✓ Update regional trends and projects (West OC expansion/campgrounds, e-commerce, offshore wind energy, regional sports alliance, 1,000+ new hotel rooms)

CHAPTER THREE – LAND USE

Understanding prior phases of growth and development helps to identify what the future may hold. Reaching 97% build out has directed new ways to measure community development. Significant changes include:

- ✓ Provide link between Ocean City development history to the influence of Comprehensive Plans over the years
- ✓ Identify new trends
 - Hotel construction
 - Downtown demolition and interim parking lots
 - Conversion of mobile home parks to permanent housing
 - Renovation of older structures
- ✓ Emphasize temporary land uses such as special events and OC at Night activities
- ✓ Conversion of land use maps to GIS based products
- ✓ Add protection of R-1 zoned neighborhoods from adverse impacts of short term rentals

CHAPTER FOUR – TRANSPORTATION

Improved service, safety and mobility has continued to be a priority over the last 10 year period. Format and information has been updated including bicycle pathway planning.

- ✓ Describe balance of auto, transit, bicycle and pedestrian mobility

- ✓ Emphasize future gateway road improvements needed for Route 90 Dualization and the Route 50 bridge reconstruction
- ✓ Added objectives 4.20-Baltimore Avenue streetscape, and 4.21-South Transit Station relocation

CHAPTER FIVE – COMMUNITY FACILITIES

The chapter emphasizes a main message that proactive management of the municipal infrastructure has stayed ahead of demand to provide for quality services and future growth and development. Updated information regarding water system improvements is currently underway with a Water Master Plan update in 2017. Significant changes include:

- ✓ Identify potential for special events and year round services to create additional demand not previously anticipated
- ✓ Recycling is now a ‘municipal waste to energy’ program
- ✓ Update description of existing municipal facilities
- ✓ Add reference to Capital Improvement Plan projects
- ✓ New information on well monitoring

CHAPTER SIX – HOUSING

Housing is a primary indicator of overall economic growth and development, and changes in the inventory is important to meeting seasonal housing needs. Hotel/Motel units have been added as a housing component, and seasonal employee housing continues to be a priority. Significant changes include:

- ✓ Plan priorities transition from rapid growth to managing for renovations, rentals and property management
- ✓ Single family neighborhood protection is emphasized
- ✓ Hotel/Motel Rooms added to housing inventory (10,000 hotel rooms plus 30,000 residential units)
- ✓ Add transient/short term housing component with recommendations for additional study and strategies for single family neighborhoods

CHAPTER SEVEN – ENVIRONMENT

Modification of this chapter is necessary to adopt the perspective of Maryland's only ocean resort community with management policies and strategies that may not be exactly the same as Federal, State, County or inland Community approaches. Significant changes include:

- ✓ New FEMA Flood Insurance Rate Maps in 2015 remove over 50% of the land area from moderate and high risk flood zones
- ✓ Coordination of update with Hazard Mitigation Plan and revised Sea Level Rise policy
- ✓ Adopting new CCMP goals by reference and partnership with Maryland Coastal Bays Program
- ✓ Monitoring National Park Service change of barrier island management strategies in draft General Management Plan
- ✓ Incorporate new Energy Conservation actions
- ✓ Emphasize importance of the built environment including historic structures, along with the required element of sensitive areas and environmental protection
- ✓ Add coastal management as a new action strategy

CHAPTER EIGHT – DOWNTOWN DEVELOPMENT / REDEVELOPMENT AND REINVESTMENT

Transition chapter from only looking at the Downtown area for revitalization, to include all areas of Town within the scope of policies which will guide redevelopment and reinvestment. Significant changes include:

- ✓ Emphasize redevelopment and revitalization with reference to published State guidelines
- ✓ Proposed expansion of OCDC design review and grant programs beyond the Upper Downtown and Downtown Districts
- ✓ Incorporate current OCDC project priorities
- ✓ Emphasize importance of one or more parking structures as an essential element of the Model Block project
- ✓ Add proposed Enterprise Zone overlay as incentive for revitalization of the downtown if approved

CHAPTER NINE – IMPLEMENTATION

The required 5 Year Report is intended to measure a community's progress toward meeting goals and objectives in the Comprehensive Plan. The Implementation chapter can establish benchmarks, steps to complete, assign responsible city departments with implementation, and how to measure the outcome of action strategies. In order to keep this from being overwhelmed by the multiple objectives and recommendations of each chapter, Staff will use the next step in the review process to prioritize the top 3 to 5 actions in each chapter (these may overlap with the Strategic Plan). Significant changes include:

- ✓ Incorporate Strategic Plan priorities
- ✓ Add current Capital Improvement Plan projects by reference
- ✓ Add recommendations for Land Use Regulation to consider limits on short term rental of single family homes in the R-1 district to reduce incompatible commercial rental use and activities in established neighborhoods
- ✓ Add recommendation for updating Subdivision and Land Development regulations
- ✓ Prepare new summary chart of Key Objectives and Action Strategies prior to public hearing (reference 12 State Planning Visions)
- ✓ No recommendation for comprehensive zoning changes at this time

CHAPTER TEN – MUNICIPAL GROWTH ELEMENT

A required action by the Town of Ocean City is to re-adopt a Growth Tier Map into the Comprehensive Plan which designates all of the municipal boundaries in Tier 1 – public sewer and water service area. Chapter Ten contains repetition of information from other chapters with the intent to estimate future population growth, and anticipated growth areas. Significant changes include:

- ✓ No major revisions are proposed due to stable population, building permits, 97% buildout and past economic recession
- ✓ Add emphasis on public investment in tourism marketing, special events, recreational programming, and free family activities that has

maintained strong metrics in room occupancy, room rates, tax revenues, etc.

- ✓ Add description of services and infrastructure beyond the municipal growth limit
- ✓ 1.5% population growth is projected to the year 2035 to allow for proactive management of utility, transportation and public services.

CHAPTER ELEVEN – WATER RESOURCES ELEMENT

Required evaluation of how the community will continue to meet three primary water use needs and how it will impact available resources: drinking water supply, wastewater treatment, and stormwater management. Chapter required additional edits or rewrite to consolidate information and will include 2017 Water Master Plan information when available. Continued proactive management of water infrastructure will continue to meet State guidance and permit requirements. Significant changes include:

- ✓ EPA adopted Total Maximum Daily Load (TMDL) standard for water quality and nutrient management in the Maryland Coastal Bays. Worcester County is working on a Watershed Implementation Plan which may affect Ocean City management strategies.
- ✓ Revise for new and planned infrastructure
- ✓ Add groundwater and well monitoring information
- ✓ Add Mineral Resources Element to assist in describing groundwater resource and to highlight the need for management of sand resources for beach nourishment, navigable channel dredging, and future elevation of existing land areas above flood level.

APPENDICES

Existing appendices adopted with the 2006 Comprehensive Plan are proposed to remain in the Plan Update with minor corrections.

- Appendix A – Summary of Rare, Threatened and Endangered Species
- Appendix B – SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats)
- Appendix C – Comprehensive Plan Vision Statement

- Appendix D – Recommended Guidelines for Residential, Mixed-Use, Small Hotel, Infill and Redevelopment
- Appendix E – Recommended Guidelines for Commercial Infill and Redevelopment
- Appendix F – State of Maryland Development Visions

The Comprehensive Plan Update is a ‘working document’ that will continue to be evaluated and revised over the next several months. During the next 60 day review period leading up to a public hearing held by the Planning and Zoning Commission, Staff will focus on the following tasks:

- 1) Add photographs and additional graphic information to the draft Plan
- 2) Prepare topic sheets
- 3) Post the draft Plan on the Town website with an online comment window
- 4) Present to groups when requested
- 5) List requested revisions/additions/deletions received during the 60 day review period
- 6) Prioritize objectives and strategies for an Implementation Matrix in Chapter Nine

Following a 10 year period including a national economic recession and a large hurricane, the Comprehensive Plan Update reports a stable period without significant growth, decline or major change (property values excluded) as a result of proactive measures taken by the Mayor and City Council. The Plan provides continuity of land use policy and strategies to encourage reinvestment and to manage changing conditions. Priorities for the next ten years will be evaluated and presented following the 60 day comment period.

Staff Recommendation

Forward the 2016 Comprehensive Plan Update in draft form to Maryland State Agencies and adjacent jurisdictions for a 60 day review, and post the draft document on the Town website for public review prior to a public hearing in June 2017.