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Testimony for Senate Bill 185

Baltimore County – Sales & Use Tax Exemption - Qualified Opportunity Zones

Chairman Guzzone, Vice Chairman Rosapepe and Members of the Senate Budget & Taxation Committee:

SB 185, Baltimore County – Sales & Use Tax Exemption - Qualified Opportunity Zones provides an exemption from the state sales and use tax of construction materials and warehousing equipment for use in the renovation of Martin Aircraft plant project in Middle River.

This sales tax exemption is modeled after the *Senate Bill 1062 – Baltimore County – Sales & Use Tax Exemption - Redevelopment Areas* that passed in 2016 by the General Assembly for Sparrows Point's Tradepoint Atlantic project. Just as with SB 1062, this bill is narrowly focused so as to help reduce the higher costs of development that often burdens the redevelopment of a particular project in the state that has complex legacy issues, such as environmental and infrastructure challenges.

Blue Ocean Developers has purchased the property and its development plans encompass retail, office, industrial, residential, event space, an athletic center, a museum, a self-storage facility and a hotel. Essentially transforming the historically designated Martin Aircraft plant from a vacant building into a modern center of commerce – Aviation Station. Therefore, igniting job creation in the construction industry as well as job opportunities within the businesses that will move into the newly created Aviation Station.

This bill has a cross file (HB 27). Thank you for your attention to this legislation and I respectfully request a favorable report on Senate Bill 185.