

March 27, 2025

The Honorable Guy Guzzone Chair, Budget and Taxation Committee Maryland Senate

Re: Support for House Bill 0080 (TOD Reform Act of 2025)

Dear Chair Guzzone and Committee Members,

On behalf of the Greater Washington Partnership (the Partnership), I am writing to express our support for the TOD Reform Act of 2025 (HB0080). This bill would make it easier to build and fund transit-oriented development (TOD) projects by reducing regulatory barriers and expanding targeted financial incentives. We applaud MDOT for working to leverage existing transit infrastructure and boost the state's housing supply.

The Partnership is a nonprofit alliance of leading employers in Maryland, Virginia, and the District of Columbia committed to championing the region's growth. Recognizing the importance of mobility and inclusive growth to our economic competitiveness, the Partnership developed the <u>Blueprint for Regional Mobility</u> and the <u>Regional Blueprint for Inclusive Growth</u>, employer-informed strategies to enhance the transportation system from Baltimore to Richmond and address growth challenges like housing affordability. Through these Blueprints, our employer community has called for increased housing availability near rapid transit corridors as a cost-effective strategy to expand access to opportunity in the region.

Maryland is facing multiple challenges that threaten the state's economic competitiveness and vitality, including costly housing and a transit system facing disinvestment. Maryland ranks 43<sup>rd</sup> among states for housing affordability and 9<sup>th</sup> highest in total cost of living.¹ High housing costs are contributing to migration out of the state, leading Maryland to be ranked fifth highest for outflow migration in the United States.² As housing becomes increasingly unattainable, businesses face difficulty attracting and retaining talent, which has serious implications for community investment and economic growth. Additionally, underutilized transit assets and lower ridership revenue, combined with a constrained transportation budget, threatens efforts to maintain existing assets in a state of good repair.

Transit-oriented development (TOD) can serve as a particularly impactful solution to these challenges. Baltimore-area households spend around 16.5% of their budget on transportation, 90.4% of which is spent buying and maintaining private vehicles.<sup>3</sup> Co-locating housing with regional transit stations not only helps to address the housing crisis, but also provides Marylanders the opportunity to reduce their transportation expenditures. Additionally, TOD makes efficient use of existing infrastructure assets by bolstering transit ridership, enabling more residents to benefit from increased access to jobs, healthcare, and education.

By facilitating increased TOD and housing density in transit corridors, HB 0080 has the potential to accelerate housing production and ensure Marylanders across the income spectrum have better access to opportunity. For these reasons, we urge a **favorable** report on HB 0080. Thank you for your consideration and shared commitment to reducing barriers to mobility and opportunity, as well as making this region the best place to live, work, and build a business.

Contact:

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<sup>&</sup>lt;sup>1</sup> See <u>Housing Affordability</u>, U.S. News (May 2024)

<sup>&</sup>lt;sup>2</sup> See Maryland lost thousands of residents in the Great Migration. Where did they go? Baltimore Business Journal

<sup>&</sup>lt;sup>3</sup> See Consumer Expenditures in the Baltimore Metropolitan Area – 2022-23, U.S. Bureau of Labor Statistics