

March 27, 2025

The Honorable Guy Guzzone
Chair, Budget and Tax Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

RE: Letter of Support – House Bill 80 – Land Use – Transit-Oriented Development - Alterations

Dear Chair Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) supports House Bill 80 to improve conditions for the implementation of successful transit-oriented development (TOD) in the state. House Bill 80 has a particular focus on supporting “joint development,” where the Department is advancing projects on MDOT-owned transit property in concert with a third-party development partner.¹

The state is facing slow economic growth, costly housing prices that influence people to leave Maryland, limitations on our ability to meet the State’s climate goals,² and a need to rebuild transit ridership and make better use of transit assets. Implementing TODs can help to address these critical state issues. Just in developing state-owned sites along the MARC Penn Line, the state could generate almost 3,000 additional housing units and \$800 million in new state and local tax revenue.

House Bill 80 seeks to improve conditions for successful development by taking a focused approach to zoning and implementation associated with these types of projects:

Zoning Reform. The amended legislation takes a set of moderate approaches to encourage more transit-supportive land use near our transit assets:

- It eliminates minimum parking requirements within ¼ mile of certain rail transit stations that receive at least hourly service between the hours of 8:00 am and 6:00 pm, Monday through Friday.³
- It also permits mixed-use development in an area already zoned for residential or commercial use within ½ mile of certain rail transit station that receive at least hourly service between the hours of 8:00 am and 6:00 pm, Monday through Friday. This provision makes no other changes to local zoning authority for such sites.

¹ Joint Development is a tool commonly used by many successful TOD programs, including those operated by the Washington Metropolitan Transit Authority (WMATA) and New Jersey Transit.

² This includes a general goal of reducing vehicle miles travelled by 20%, by 2050. To do this, creating development near to and served by transit will be critical.

³ The frequency of service provision, as used here and elsewhere throughout the amended bill, limits application to stations on the Baltimore Metro and Light Rail services, WMATA Metrorail, and MARC Penn Line stations between Washington Union Station and Baltimore Penn Station.

- For state land, the legislation allows the Department to set the density, height, site configuration, land use classification, parking requirements on state transportation land contiguous to certain rail transit stations that receive at least hourly service between the hours of 8:00 am and 6:00 pm, Monday through Friday.⁴ In doing so, the Department must develop a master development plan for the land in concert with local jurisdictions. Further, the legislation clarifies that this legislation does not affect local jurisdictions' abilities to regulate environmental, natural resources, or public health and safety concerns, nor supersede adequate public facilities ordinances.
- The legislation also requires local jurisdictions to prioritize the processing and approval of State-designated transit-oriented developments.

MDOT has, and will continue to, work closely with local jurisdictions to retain local involvement in the development of plans for transit sites, and the legislation retains important roles for the local jurisdiction in regulating land use for both private and public land.

Implementation. The legislation clarifies that TODs are exempt from Division II of the state procurement law, resolving an ambiguity that has resulted in delays and legal challenges for critical TOD projects, while incorporating those relevant portions of Division II that still would apply. The legislation also permits that proposed projects under the TOD Capital Grant and Loan Fund be given scoring preferences if they make use of Project Labor Agreements (PLAs).

The provisions in House Bill 80 make it easier to build and fund TOD and improve conditions for successful TOD. These efforts support the Moore-Miller Administration's goals to energize the state's economy and address the structural challenges that our state faces. Making it easier to build in sustainable, transit-oriented communities supports our goals of investing in our existing infrastructure and driving long-term economic value.

For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant House Bill 80 a favorable report.

Respectfully submitted,

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⁴ The zoning provisions of the legislation only apply to WMATA, MTA Light Rail and Metro, and MARC Penn Line stations between Washington and Baltimore.