

February 3, 2026

Hon. Guy Guzzone
Chair, Budget & Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21041

Subject: Letter of Support SB287 - Economic Development - Tax Increment Financing - Noncontiguous Areas

Dear Chair Guzzone,

The Maryland Building Industry Association (MBIA) is submitting testimony in support of SB287, which authorizes the governing body of a political subdivision to designate certain noncontiguous blighted areas as development districts and provides a clear, workable definition of “blighted area.”

This bill offers a practical and targeted tool to address long-standing disinvestment in communities where a majority of buildings have declined in productivity due to obsolescence, depreciation, or other conditions that make continued fundamental repairs and maintenance economically unjustifiable. These are areas where market forces alone have not been sufficient to spur reinvestment, and where strategic public action can catalyze meaningful change.

Importantly, the ability to designate noncontiguous development districts reflects the real-world conditions of blight. Disinvestment does not always occur in large, continuous blocks; it often appears in pockets scattered across jurisdictions. This legislation provides flexibility to respond to those realities while still requiring intentional designation and public accountability.

By clearly defining “blighted area,” the bill also establishes guardrails to ensure this authority is used appropriately. The focus is on objectively distressed properties, not thriving or stable neighborhoods. This clarity helps protect communities while giving local governments the tools they need to encourage redevelopment, improve building conditions, and restore economic productivity.

Designating these areas as development districts can help attract private investment, support redevelopment and rehabilitation, increase the tax base over time, and ultimately improve quality of life for residents. When paired with transparency and local oversight, this approach promotes responsible economic development while addressing long-standing inequities.

For these reasons, I respectfully urge a favorable report on this legislation. Thank you for your consideration.