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MAYOR

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SB 0365

February 9, 2021

TO: Members of the Senate Education, Health and Environmental Affairs Committee
FROM: Natasha Mehu, Director of Government Relations
RE: Senate Bill 365– Neighborhood Business Development - Food Desert Program – Business Retention

POSITION: SUPPORT

Chair Pinsky, Vice Chair Kagan, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 365.

SB 365 provides much needed support to businesses in the areas of Baltimore City that would benefit most from retaining and attracting high quality food retail. This bill increases the loan amount up to \$100,000 from \$50,000, making the program more meaningful to food retail operators in Baltimore City, where many of the operating costs are higher than in surrounding counties. Providing forgivable loans after five years helps to provide retailers with the support they need and serve as a retention strategy, creating longer-term investment in Baltimore’s food desert communities.

In Baltimore City, food deserts are called Healthy Food Priority Areas and the City issued its most recent Healthy Food Priority Area map in 2018. These areas are based on four factors and are geographic areas of the city where residents face compounded barriers to accessing healthy food. Nearly 24% of Baltimore City residents live in Healthy Food Priority Areas, however, 31% of Black residents live in Healthy Food Priority Areas compared to only 9% of white residents. Children and older adults are also disproportionately affected.

The Department of Planning’s Food Policy and Planning Division, with the leadership of the City’s Food Policy Director, guide the City’s food work in partnership with other agencies. This includes the Baltimore Development Corporation’s strong work on food retail attraction and retention. This bill will support our eight-point Healthy Food Environment strategy that acknowledges that there are many components to a thriving and vibrant food environment, including supermarkets, small food retail like corner and convenience stores, public markets, and other innovative microenterprises that provide food access points.

Baltimore seeks to build a resilient and diverse food retail environment and this bill provides a program that can support various types and sizes of food businesses. Expanding the Neighborhood Business Development Program through SB 365 will create more robust opportunities to support existing retailers and direct new enterprises to the areas that need them most.

We respectfully request a **favorable** report on Senate Bill 365.