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MAYOR

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SB 333

February 8, 2023

TO: Members of the Budget and Taxation Committee

FROM: Nina Themelis, Interim Director of Mayor's Office of Government Relations

RE: Senate Bill 333 – Economic Development - Regional Institution Strategic Enterprise Zone Program – Alterations and Financing

POSITION: Support

Chair Guzzone, Vice Chair Rosapepe, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 333.

SB333 aims to repeal the clause in the Regional Institution Strategic Enterprise (RISE) Program that prohibits the number of RISE zones in a certain area. SB333 also wants to extend the effectiveness of a RISE zone from 5 years to 10 years. These amendments to the current Bill as it is written would benefit economic development in Baltimore City and incentivize commercial development in areas of the city that have been historically neglected.

The RISE program has been instrumental in the development of commercial areas in historically disinvested neighborhoods that need revenue and job creation. The RISE program has been a crucial incentive for institutional commercial development in a few different large development projects in Baltimore City that has brought both investment and jobs to disinvested neighborhoods. RISE has helped increase the revitalization and stabilization within key Zones in the City. By lifting the limitation on the amount of eligible RISE Zones and extending the tax credit eligibility to 10 years, commercial development in targeted enterprise zones in Baltimore City will continue to flourish.

For these reasons, the BCA respectfully requests a **favorable** report on SB 333 to ensure the RISE Program continues to help attract development and business to commercial areas of the City that have been historically neglected.