

**XHB510\_DHCD\_SUPPORT.pdf**

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Position: FAV

**DATE:** March 21, 2024  
**BILL NO.:** House Bill 510  
**TITLE:** Business Façade Improvement Program – Eligible Funding Recipients  
**COMMITTEE:** Senate Education, Energy, and the Environment Committee

### Letter of Support

**Description of Bill:**

House Bill 510 would expand eligible applicants under the Business Façade Improvement Program to include nonprofit Community Development Organizations (CDOs) that serve at least one Sustainable Community.

**Background and Analysis:**

Created by House Bill 706 in the 2023 legislative session, the Maryland Façade Improvement Program established a new stand-alone Business Façade Improvement Program in DHCD. Local governments are eligible to apply for grants under the program. Businesses are eligible to receive financing under the program if they are located in a designated Sustainable Community and plan to improve the outside appearance of the business' building or facility.

Historically, façade improvements have been a popular use of State of Maryland Revitalization Program grants, and funding demand has greatly exceeded funding availability. However, the majority of those grants have been awarded to community development organizations (CDOs), and not directly to local governments. CDOs tend to have the capacity, community relationships, and expertise needed to successfully execute these grants. In particular, many municipalities have nonprofit main street organizations that administer façade improvement grants on behalf of the local government. The proposed amendment would expand the pool of eligible applicants under the Business Façade Improvement Program, to include CDOs, consistent with the way the Department has historically administered façade improvement grants. The legislation would also remove a potential administrative barrier for CDOs that wish to participate in the program.

**DHCD Position**

The Department of Housing and Community Development respectfully requests a **favorable** report on HB 510.

**HB0510-EEE-SUPP.pdf**

Uploaded by: Nina Themelis

Position: FAV



**BRANDON M. SCOTT**  
MAYOR

*Office of Government Relations  
88 State Circle  
Annapolis, Maryland 21401*

**HB0510**

March 21, 2024

**TO:** Members of the Education, Energy and Environment Committee  
**FROM:** Nina Themelis, Director of Mayor's Office of Government Relations  
**RE:** House Bill 510 – Business Façade Improvement Program – Eligible Funding Recipients

**POSITION: SUPPORT**

Chair Feldman, Vice Chair Kagan, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 510.

HB 510 expands the pool of eligible recipients for the Department of Housing and Community Development's Business Façade Improvement program. Previously, only a government agency was permitted to receive these funds, which would then be distributed to businesses seeking façade improvements.

Community Development Corporations, Business Improvement Districts, Merchants Associations, and other eligible groups have demonstrated themselves to be good stewards of state funding from other programs in the past. We believe that broadening the pool of eligible applicants will ensure that the façade grant money will be distributed quickly and efficiently by these groups, and that we would likely see a more diverse mix of businesses receiving these funds.

For these reasons, the BCA respectfully requests a **favorable** report on HB 510.

**HB 510 FAV Del Stewart (2).pdf**

Uploaded by: Vaughn Stewart

Position: FAV

VAUGHN STEWART  
Legislative District 19  
Montgomery County

Environment and Transportation  
Committee

*Subcommittees*

Environment

Land Use and Ethics



The Maryland House of Delegates  
6 Bladen Street, Room 220  
Annapolis, Maryland 21401  
410-841-3528 • 301-858-3528  
800-492-7122 Ext. 3528  
Vaughn.Stewart@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB 510  
Testimony by Delegate Vaughn Stewart  
March 21, 2024 • Senate Education, Energy, and the Environment Committee

**The Business Facade Improvement Program:**

Due to the leadership of House Speaker Adrienne Jones, the General Assembly established the Business Facade Improvement Program (BFIP) with bipartisan support in 2023.

The purpose of the BFIP is to assist businesses with improving the outside appearance of their buildings and facilities. The [Office of State Revitalization Programs](#) (part of DHCD) receives applications from and distributes money to local governments, which then pass the funds along to the businesses within their jurisdiction. Businesses must apply to the localities to receive the grant money. The localities are empowered to develop their own criteria for ranking and awarding the grants; the only criteria from the state level is that a business which receives money from this Program is located in a sustainable community and has a plan to improve the outside of the business's building or facility.

**What the bill does:**

The 2023 establishment of the BFIP was an important step towards improving our state and revitalizing neighborhoods which have been previously neglected by state and local funding. Our experience with the program has demonstrated that community development organizations have stepped up and sought opportunities to partner with businesses directly.

HB510 codifies this practice: It allows for these grants to be distributed directly to community development organizations and nonprofits. Community development organizations will be permitted to apply directly to the state for BFIP funds and distribute them to qualified businesses with whom they work.

**Why this bill is important:**

The BFIP is one of the few revitalization programs in Maryland where nonprofits do not have authorization to directly receive funds from the state. Currently, a nonprofit community development organization has to wait for the county or local government to apply and receive

BFIP funds from DHCD. Under this bill, money would go directly from DHCD to the nonprofit, cutting out an unnecessary middleman.

HB 510 received a bipartisan favorable vote in the House. In committee, there was no opposition and no requested amendments. I worked closely with the Department of Housing and Community Development (DHCD), which is in full support of the bill.

HB 510 is a simple clean-up bill to make the administration of the BFIP match what is happening on the ground. It makes the BFIP distribution process more efficient and reduces the burden on county and local governments. **I urge a favorable report.**

**BaltimoreCounty\_FWA\_HB0510.pdf**

Uploaded by: John Olszewski

Position: FWA





JOHN A. OLSZEWSKI, JR.  
*County Executive*

JENNIFER AIOSA  
*Director of Government Affairs*

AMANDA KONTZ CARR  
*Legislative Officer*

WILLIAM J. THORNE  
*Legislative Associate*

**BILL NO.:**            **HB 510**

**TITLE:**              **Business Façade Improvement Program – Eligible Funding Recipients**

**SPONSOR:**         **Delegate Stewart**

**COMMITTEE:**      **Environment and Transportation**

**POSITION:**        **Support with Amendments**

**DATE:**              **February 13, 2024**

Baltimore County **SUPPORTS WITH AMENDMENTS** House Bill 510 – Business Façade Improvement Program – Eligible Funding Recipients. This legislation expands the eligibility for the State Façade Improvement program created last year as being available to local jurisdictions to now include community development organizations, a recognized category for nonprofits eligible for several other neighborhood revitalization programs administered by the State Department of Housing and Community Development.

The Baltimore County Department of Planning supported the creation of this program last year. The program offered funds for neighborhood revitalization, and the County’s Department of Planning was awarded \$430,000 of those funds. There are several organizations within the County that could apply for funding from an expanded budget, and the ability to seek these funds will complement the \$500,000 in County funds for façade improvements that is now awarded to nine county-based organizations working with businesses.

Baltimore County Community Planners have also worked with several communities to create design guidelines for their commercial areas to encourage better quality renovations. Eligible businesses can access Baltimore County’s Architect on Call program for free design assistance. The expansion of the Façade Improvement program will continue to address the reinvestment needs within our county’s commercial corridors. Baltimore County would request an amendment specifically making Chambers of Commerce eligible for these funds, as they are eligible to apply for the state DHCD’s other revitalization programs.

Accordingly, Baltimore County urges a **FAVORABLE WITH AMENDMENTS** report on HB 510 from the House Environment and Transportation Committee. For more information, please contact Jenn Aiosa, Director of Government Affairs at [jaiosa@baltimorecountymd.gov](mailto:jaiosa@baltimorecountymd.gov).