



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
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Annapolis, Maryland 21401*

HB0538

February 20, 2024

TO: Members of the House Environment and Transportation Committee

FROM: Mayor Brandon M. Scott, City of Baltimore

RE: House Bill 538 – Land Use – Affordable Housing – Zoning Density and Permitting
Housing Expansion and Affordability Act of 2024

POSITION: Support

Chair Korman, Vice Chair Boyce, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 538

HB 538 would establish local density bonuses for residential development and create regulatory certainty for developers seeking to address Maryland’s housing shortage.

A number of key components of the legislation such as Density Bonuses and Manufactured Homes are initiatives that BCA supports, and are already reflected in our local Building and Zoning Codes or our work to incentivize development in targeted areas in Baltimore. The changes proposed in this bill to APFO Exemptions, such as limiting meetings and addressing standing to affordable developments, are not generally applicable to Baltimore City. Baltimore City already allows for manufactured housing in our Building Fire and Related Codes (BFRC) and we do not see this legislation to permit new manufactured homes in zones that allow single-family residential uses as an impediment in Baltimore City. BCA is committed to working with Governor Wes Moore and his Administration to continue to address Maryland’s housing crisis by promoting affordable residential development.

Mayor Brandon M. Scott is poised to make the largest investment ever into Baltimore’s disadvantaged neighborhoods. In late 2023, the Scott Administration announced a comprehensive vacant housing reduction strategy which will include the issuance of non-contiguous TIF Bonds, revival of the Industrial Development Authority and working with BUILD and the GBC to raise \$300 million from private investors and the philanthropic community. HB 538 would aide efforts already underway to support development in targeted areas of the City, some of which align with our focus areas.

The density bonuses proposed in HB 538, which includes Baltimore MARC stations, metro subway stations, MTA Light Rail Stations, and other passenger rail stations, includes many areas already targeted for investment in East Baltimore, West Baltimore, South Baltimore and Park Heights.

Baltimore City developers also already enjoy some additional incentives to aid their work in targeted neighborhoods to rehabilitate vacant properties assisted by the work of Baltimore City Department of Housing and Community Development (DHCD). Baltimore City DHCD also offers a number of homebuyer incentives to help populate newly rehabilitated or constructed housing such as;

- Homebuyer Down Payment Grants to be paired with developer incentives to make rehabbed vacants in target neighborhoods affordable at all income levels.
- Live work incentives: There is capital ear-marked for entrepreneurs to crate live/work spaces with retail or studio on the first floor, with living space above it. Many vacants in Baltimore neighborhoods are zoned for commercial use and can be rehabbed to support our small businesses.

HB 538 represents a targeted approach that will be particularly helpful in transit centered jurisdictions like Baltimore. The Bill seeks to establish local density bonuses for residential development which will help to create regulatory certainty for developers seeking to address Maryland's and Baltimore's affordable housing shortage. A number of key components of the legislation enhance or expand incentives to create housing opportunities that are so desperately needed for Baltimore families.

For these reasons, the BCA respectfully request a **favorable** report on HB 538.