

January 23, 2025

Guy Guzzone, Chair
Budget & Taxation Committee
3 West Miller Senate Office Building
Annapolis, MD 21401

Dear Chair Guzzone, Vice Chair Rosapepe, and Committee Members:

I am writing in support of SB190, MDOT's TOD bill. I write as Chairman and Co-Founder of The Bozzuto Group, a national and nationally respected, Maryland based developer, builder and manager of multifamily rental and for sale housing. I write as someone who has developed and built more than 60,000 homes and apartments and as someone whose company manages more than 120,000 apartment units nationwide. And I write finally as someone who has developed, built and managed more than a thousand apartments adjoining or within a short walk to rapid transit stations.

There is little doubt that a great many people prefer to live in housing near public transportation. Such housing is generally the most environmentally friendly housing that builders can provide, both because of its density and because many occupants choose to live without dependence and frequently without ownership of automobiles. It is also generally the most popular housing solution for both younger people and older residents for whom a large suburban home is no longer appealing.

Unfortunately, getting approval for such housing is more complicated and more time consuming than getting approval for almost any other type of housing because it requires coordination, review and approval not only from the transportation authority but also from the local jurisdiction. Frequently the wishes of one of these is in conflict with the other, often as it relates to the type of housing and commercial space allowed and especially as it relates to the number of parking spaces required. Many local jurisdictions unreasonably restrict density or require excessive parking even for non-transit related sites and some are unwilling to modify these requirements when a proposed development is proximate to transit. Our experience as well as that of others in our industry has proven that demand for parking decreases dramatically the closer one builds to public transportation stops.

This bill encourages more housing and mixed-use development near transit by:

- @Prohibiting minimum requirements for off-street parking and allowing for mixed use development within .5 miles of a rail transit station;

- @ Prohibiting zoning restrictions in transit-oriented development areas with state owned land;

- @Expanding the permitted uses of the Transit-Oriented Development and Capital Grant fund to allow MDOT to fund planning as potential TOD sites; and,

- @ Establishing a TOD Corridor Fund to support Transit Oriented Development adjacent to a planned or existing transit corridor.

There is substantial demand for walkable, urban residential and commercial space. TOD adds supply of it to the marketplace. Parking minimums and zoning prohibitions on mixed-use development drive up costs and prevent the supply of the types of residential and commercial development that people want.

Finally, Transit Oriented Development concentrates development around transit hubs. In doing so, it reduces reliance on cars, lowers greenhouse gas emissions and boosts the efficiency of land use.

My only reservation regarding this legislation is in its authorization for creation of special taxing districts in transit areas by the local jurisdiction. It has been shown that more than a third of the cost of building multifamily housing is associated with governmental fees, taxes and other impositions. If not leveled cautiously, these additional fees have the potential to undermine the other benefits of this legislation.

Notwithstanding my one concern however, and with all due respect, I urge your positive consideration of this legislation.

Sincerely,



Thomas S. Bozzuto
Chairman and Co-Founder
The Bozzuto Group