Maryland DEPARTMENT OF PLANNING

HEARING DATE: January 29th, 2025

BILL NO: SB 190

COMMITTEE: Budget and Taxation

POSITION: Favorable

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TITLE: SB 190 - Land Use - Transit-Oriented Development - Alterations

BILL ANALYSIS:

SB 190 includes amendments to the §4–104 of the Land Use Article of the Maryland Code to facilitate transit-oriented development around rail transit stations through the elimination of minimum off-street parking requirements for residential and mixed-use developments and the prohibition of the legislative body from precluding mixed-use developments or state-owned land with an approved transit-oriented development plan.

POSITION AND RATIONALE:

The Maryland Department of Planning (MDP) supports SB 190 and is providing testimony specific to the elimination of minimum off-street parking requirements and prohibition of the legislative body from: (1) taking action to preclude mixed-use development that is located within 0.5 miles of a rail transit station, or (2) imposing local zoning restrictions if a state-owned land in use for a transportation purpose adjacent to a transit station has an approved transit-oriented development plan by the Maryland Department of Transportation (MDOT).

MDP is the primary state agency tasked with both supporting local governments in their implementation of the Land Use Article and with the State's oversight of sustainable growth land use policy such as the Priority Funding Areas. MDP also partners with DHCD and MDOT to align community revitalization goals with transportation planning using data and geospatial mapping in developing interactive tools to assist in local decision-making regarding land use and development. One such tool is the Transit Station Area Profile Tool (TSAPT) that displays socioeconomic, employment, median housing sales and ridership data around Maryland's rail transit stations. This tool is used by local governments, interest groups and the private sector to explore transit-oriented development (TOD) opportunities in their community. MDP is working on other tools and resources to assist local governments advance affordable housing opportunities in their communities.

The elimination of minimum off-street parking requirements and prohibition of the legislative body from preventing mixed-use developments within half mile of rail transit stations, as proposed in SB 190, are targeted policy incentives to encourage transit-oriented development in areas with multi-modal choices and typically having an abundance of off-street parking. The elimination of minimum parking standards is a proven best practice for encouraging denser development in residential and employment growth areas by enhancing their financial feasibility and optimizing land use. MDP asserts that all areas within .5 miles of a transit station are ideally suited for residential and employment growth. This bill will also help prevent valuable land within .5 miles of a transit stop

from being used for surface parking. Surface parking hinders sustainability, encourages single occupancy vehicle trips, and impedes pedestrian networks, all of which work in opposition to effective TOD development.

This bill is intended to encourage higher density and mixed-use development within ½ mile of a rail transit station. Research and actual case studies indicate ½ mile walk distances from transit to be acceptable for the avoidance of cars or other vehicles to connect people from their home to transit centers. Application of these walk distances will of course also depend on quality of pedestrian (or cycle) paths, safety, and overall experience of the pedestrian to ensure alternative to cars are used for this "last mile" connection. Increasing the number of residents living within walking or cycling distance to rail transit stations also reduces overall carbon footprint, improves health, increases access to employment centers connected by transit and supports social connectivity to enhance community well-being. All these factors are also well documented contributors to community resiliency, placemaking, and economic competitiveness.

Establishing targeted incentives, as proposed in SB 190, work to optimize the transit investments to benefit the maximum number of people which has the added potential to increase overall ridership leading to improved financial viability of the transit systems. Additionally, encouraging higher densities and mixed-use development will also attract other public and private investment in the area, leading to great economic and community development around the rail stations. The bill's authorization of MDOT to issue bonds supporting the TOD Capital Grant and Revolving Loan Fund provides a financial benefit to jurisdictions with TOD sites and balances the bill's zoning intervention eliminating parking minimums and disallowing actions that preclude mixed-use development. It also does not require that a jurisdiction updates its zoning code to specify these new requirements, only that they abide by them, which minimizes any financial burden on local governments. In fact, the TOD development that this bill incentivizes would increase local government revenue. Clearly, this approach as proposed in SB 190 provides multiple benefits that have been outlined above.

MDP stands ready to support local jurisdictions with the interpretation and implementation of SB 190 and will continue to develop data driven tools to inform decision making. We are confident that this bill will have a positive impact on communities and support the sustainable growth of Maryland for generations to come.