

SB0409 -- Economic Development - County or Municip

Uploaded by: Brian Levine

Position: FAV



**Senate Bill 409 -- *Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds*
Senate Budget and Taxation Committee
February 5, 2025
Support**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports Senate Bill 409 -- *Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds*.

Senate Bill 409 enhances the powers of economic development authorities, enabling counties and municipalities to provide these authorities with additional financing tools for development and redevelopment projects. With this expanded authority, economic development offices can create more opportunities for business and job growth.

By equipping economic development authorities with more tools to pursue specialized development, projects can be expedited, and economic opportunities expanded. This bill allows local governments to invest in revitalization projects that foster economic growth, thereby improving the ability of economic development authorities to attract and retain businesses and other investments within their jurisdictions.

For these reasons, the Montgomery County Chamber of Commerce supports Senate Bill 409 and respectfully requests a favorable report.

The Montgomery County Chamber of Commerce (MCCC), on behalf of its members, champions the growth of business opportunities, strategic infrastructure investments, and a strong workforce to position Metro Maryland as a premier regional, national, and global business location. Established in 1959, MCCC is an independent, non-profit membership organization.

Brian Levine | Vice President of Government Affairs
Montgomery County Chamber of Commerce
51 Monroe Street | Suite 1800
Rockville, Maryland 20850
301-738-0015 | www.mcccmd.com

SB409_DHCD_SUPPORT.pdf

Uploaded by: Chuck Cook

Position: FAV

DATE: February 5, 2025

BILL NO.: Senate Bill 409

TITLE: Economic Development - County or Municipality Economic Development Authority
- Powers and Use of Proceeds

COMMITTEE: Senate Budget and Taxation Committee

Letter of Support

Description of Bill:

Senate Bill 409 expands the powers of a local economic development authority, including granting it additional authority to issue bonds and use tax increment proceeds, and expands the list of available names for such an authority.

Background and Analysis:

The Maryland Economic Development Revenue Bond Act allows a county or municipality to establish a quasi-governmental economic development authority for the purpose of promoting economic development and the creation, attraction and retention of industry and commerce. Under existing law, the powers of these authorities are limited to receiving funds from governmental units or nonprofits; charging fees for services; hiring employees and/or consultants; and using the services of other governmental units. Senate Bill 409 greatly expands the authority's powers, allowing it to:

- Receive and use funds from any public, private or nonprofit source;
- Purchase or otherwise acquire, own, improve, lease, and sell or otherwise dispose of, real property;
- Borrow money and directly issue bonds;
- Purchase insurance and sue or be sued;
- Pay land development impact fees; and
- Otherwise transact business as necessary and in keeping with the authority's statutory purpose.

The Maryland Tax Increment Financing Act currently allows local governments to issue bonds for the purpose of tax increment financing, by which the local government issues bonds backed by projected increases in property tax revenues (the "tax increment") created by bond-funded infrastructure improvements. In addition to granting economic development authorities to issue these bonds, Senate Bill 409 also expands the allowed uses of bond proceeds and tax increment funds to include a wide range of additional purposes, including:

- In a development district, RISE Zone or Sustainable Community, infrastructure improvements including streets, parking structures, lighting, storm drain/stormwater management infrastructure, noise and retaining walls, pedestrian infrastructure, recreational facilities, landscaping, and park facilities;
- Issuing loans for the purpose of encouraging redevelopment;
- Administrative and legal overhead costs;
- Financing of development costs, including environmental remediation;

- Affordable housing and homeless assistance;
- Acquisition and improvement of land; and
- Convention, conference, or visitors' centers.

Expanding the powers of local economic development authorities along with the allowed uses of bond proceeds and tax increment funds will give these authorities, and their jurisdictions, more freedom and flexibility to undertake projects that will address housing shortages as well as infrastructure deficiencies and economic stagnation. Senate Bill 409 will allow these authorities to better achieve their stated purposes of promoting economic development and the health, welfare and safety of Maryland residents, encouraging commercial and industrial activity, and relieving unemployment.

DHCD Position:

The Department of Housing and Community Development respectfully requests a **favorable** report on SB 409.





MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
7800 HARKINS RD • LANHAM, MD 20706 • DHCD.MARYLAND.GOV
301-429-7400 • 1-800-756-0119 • TTY/RELAY 711 or 1-800-735-2258





MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
7800 HARKINS RD • LANHAM, MD 20706 • DHCD.MARYLAND.GOV
301-429-7400 • 1-800-756-0119 • TTY/RELAY 711 or 1-800-735-2258



CE Ball 2025 - SB 0409 Economic Development Author

Uploaded by: County Executive Calvin Ball

Position: FAV



HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE

3430 Courthouse Drive ■ Ellicott City, Maryland 21043 ■ 410-313-2013 Voice/Relay

Calvin Ball
Howard County Executive
cball@howardcountymd.gov

www.howardcountymd.gov
FAX 410-313-3051

February 5, 2025

Senator Guy Guzzone, Chair
Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

Re: **TESTIMONY OF SUPPORT**: SB 409: Economic Development – County or Municipality
Economic Development Authority – Powers and Use of Proceeds

Dear Chair Guzzone, Vice Chair Rosapepe, and Members of the Committee,

Thank you for the opportunity to submit written testimony. I am pleased to express my strong support for Senate Bill 409, and I commend Senator King for sponsoring this important legislation. This bill modernizes the State's existing Industrial Development Authority (IDA) framework by allowing counties and municipalities to create Redevelopment Authorities (RDAs) with expanded financing tools, enabling strategic investments in economic development, infrastructure, and community revitalization.

In 2023, Howard County adopted its new General Plan, HoCo By Design, a transformative 20-year roadmap for sustainable growth. This plan highlights the critical need for redevelopment to accommodate evolving economic, social, and environmental conditions. Concurrently, Howard County adopted the Route One Master Plan, which identifies the establishment of a redevelopment authority as the most effective mechanism for revitalizing this key economic corridor. Senate Bill 409 aligns with these strategic goals by providing counties with the necessary tools to assemble land, deploy financing mechanisms such as tax increment financing (TIF), and catalyze mixed-use development that supports job creation and economic resilience.

Howard County is already advancing several high-priority redevelopment initiatives, including the Gateway Innovation District, a 1,000-acre business and industrial hub envisioned as a dynamic, mixed-use innovation district. Additionally, the Route One Corridor, which spans 14,000 acres and hosts 25% of Howard County's jobs, is undergoing a major revitalization effort to create vibrant employment centers, attract private investment, and improve livability. The ability to establish a redevelopment authority, as proposed in Senate Bill 409, is critical to executing these plans effectively.

Furthermore, Howard County recently announced its first-ever Enterprise Zone, covering key commercial and industrial areas along Route 1 and Columbia Gateway. This designation unlocks substantial tax benefits to businesses making capital investments and expanding their workforce, driving significant economic growth. Senate Bill 409 would complement these efforts by providing a centralized entity to coordinate redevelopment strategies, facilitate infrastructure investment, and maximize the impact of incentive programs.



HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE

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Our ongoing economic development efforts, in partnership with the Howard County Economic Development Authority (HCEDA), are already demonstrating the power of strategic investment. The passage of Senate Bill 409 will strengthen these efforts, providing essential tools to spur revitalization, attract new business investment, and create high-quality jobs.

Howard County will continue to promote initiatives that will expand economic growth and help us be the best place to live, work, play, grow, and thrive. I welcome your support and urge a favorable report on Senate Bill 409.

All the Best,

A handwritten signature in blue ink, appearing to read 'Calvin Ball', is written over a horizontal line.

Calvin Ball
Howard County Executive

Written Testimony SB0409.pdf

Uploaded by: Deborah Carpenter

Position: FAV

Written Testimony for the Senate Budget and Taxation Committee
Senator Guy Guzzone, Chair
Senator Jim Rosapepe, Vice Chair

RE: In Support of SB0409

Honorable Chair, Vice Chair, and esteemed members of the Committee,

Thank you for the opportunity to submit written testimony to the Senate Budget and Taxation Committee. My written testimony reflects 30 years of planning experience in three Maryland jurisdictions. I currently serve as the Director of Planning & Permitting in Frederick County. During my career I was also privileged to serve on the Sustainable Growth Commission under both the O'Malley and Hogan administrations. In 2014, Governor O'Malley asked the Commission to make recommendations to accelerate the state's infill, redevelopment and revitalization efforts. One recommendation from the 2014 Reinvest Maryland report stated: "The state and local governments must use existing resources more efficiently and develop or enable creative and effective financial tools to support targeted reinvestment priorities." It goes on to state that "To accelerate reinvestment, the Governor and General Assembly must develop or enable new sources of funding, or better direct existing funding to support infill, redevelopment and revitalization...". While some legislation to promote reinvestment has been passed, such as the 2013 Sustainable Communities – Designation and Financing Law (HB613), none of these attempts have provided communities with the ability to target its own redevelopment investment strategy.

While there has been widespread agreement on the value of investment in redevelopment and discouragement of greenfield development and sprawl, time and time again the best plans of jurisdictions across the state have faced difficulty bringing those plans to fruition. Our communities have a vision of walkable, vibrant, revitalized places. They have invested in their visions, altered regulations and plans to accommodate those visions, and leaned heavily on their economic development teams to bring those visions to life through private investment. However, in spite of their best efforts, there is no overcoming the fact that it is still cheaper and therefore more desirable to build on vacant land.

In Frederick County, we recently passed the South Frederick Corridors Plan. This redevelopment visionary document plans for a walkable neighborhood with access to the MARC train, a multi-modal transportation network and a diversity of housing options. This area alone is planned to add 10,000 new housing units. However, it is not easy to take an existing network and convert it to accommodate this vision. Private developers are not going to invest in a project that costs more to build and has the same profit outcome.

That is why this bill is so vital. The ability of jurisdictions to utilize Industrial Development Authority funds for investment in redevelopment projects is exactly the catalyst needed to finally overcome the increased costs associated with upgrading existing infrastructure. I urge the Committee to support this bill and give their constituents the tools needed to bring their visions to life.

Thank you for the opportunity to lend support to this important legislation.

Sincerely,

Deborah A. Carpenter, AICP
Director
Frederick County Government
Division of Planning & Permitting
30 N Market St
Frederick, MD 21701

IDA Support.pdf

Uploaded by: Hugh Gordon

Position: FAV

February 3, 2025

Senator Nancy King
James Senate Office Building
11 Bladen St.
Annapolis, MD 21401

Re: SB 0409 Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds

Honorable Senator King,

I am writing to express my support for SB 0409. As a lifelong resident of Frederick County, I believe this bill offers a valuable tool for counties to generate revenue for essential infrastructure, such as schools and sewer and water capacity, that must be in place before development can proceed.

The ongoing challenge of insufficient funding for infrastructure has hindered housing development and growth. As the state works to address the housing shortage, this bill provides a potential solution to secure the necessary funds for infrastructure ahead of new development. It would be a missed opportunity not to consider this option as development planning moves forward.

Since the bill only grants enabling authority, concerns about its application can be addressed before it is implemented.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Hugh Gordon", with a stylized flourish at the end.

Hugh Gordon
2722 Loch Haven Drive
Ijamsville, Maryland 21754
hu.gordon@comcast.net
(301) 788-8700

01.28.25 Support SB409_HB97_Guzzone.pdf

Uploaded by: Jamie Williams

Position: FAV



Department of Economic and Tourism Development

January 28, 2025

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

RE: SB409/HB97– Economic Development – County or Municipal Corporation Economic Development Authority – Powers and Use of Proceeds

Dear Senator Guzzone:

Kent County Economic and Tourism Development supports Senate Bill 409/House Bill 97 which expands the uses of tax increment funds. This bill enables a county council to authorize the creation of the Authority and adopt a project area, approve a plan of what would be implemented, and authorize how the funds would be expended.

Expanding the use of funds under the Industrial Development Authority (IDA) code will better address modern-day development and redevelopment needs. The legislation maintains local control and enables jurisdictions to tailor solutions for local needs.

Given the foregoing, Kent County Economic and Tourism Development respectfully requests a favorable report on Senate Bill 409/House Bill 94.

Sincerely,

Jamie Williams, CEcD
Director

cc: The County Commissioners of Kent County
Senator Stephen S. Hershey
Delegate Jay A. Jacobs
Delegate Steven J. Arentz
Delegate Jefferson L. Ghrist

HCEDA Testimony_SB 0409.pdf

Uploaded by: Jennifer Jones

Position: FAV



February 5, 2025

Senator Guy Guzzone, Chair
Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

Re: TESTIMONY OF SUPPORT: SB 409: Economic Development – County or Municipality
Economic Development Authority – Powers and Use of Proceeds

Dear Chair Guzzone, Vice Chair Rosapepe, and Members of the Committee,

The Howard County Economic Development Authority (HCEDA) is a public-private partnership whose primary goal is to promote economic growth and stability by supporting existing businesses, targeting new businesses, and attracting corporate and regional headquarters. Our role is to be a catalyst for economic growth and sustainability in Howard County. We offer a host of services to accomplish this, and we are proud to offer them to businesses in all areas of the county.

We are also proud that our Route 1 Tax Credit Revitalization Program supports the redevelopment and revitalization of this important 12-mile stretch of Howard County. This program encourages revitalization along the Route 1 corridor by helping owners of commercial and industrial properties renovate and improve the appearance of their properties. These investments beautify neighborhoods and spur economic activity that benefits local businesses, the economy, and the residents of surrounding communities.

Given HCEDA's involvement in local revitalization and redevelopment activities, I am pleased to offer this letter in support of Senate Bill 409, which provides an important tool to advance these efforts in underinvested communities.

By expanding the uses under the IDA legislation, this bill provides for enhanced economic development and redevelopment throughout Maryland.

Senate Bill 409 allows local jurisdictions to directly invest in local redevelopment efforts and greatly expands authorities' ability to receive and deploy funds by allowing an authority to receive funds from any public, private, or nonprofit source, enter into a lease agreement, borrow money, issue bonds, and use tax increment proceeds to fund permissible uses.

Taken together, the authority granted under this Bill provides local governments with the tools to better fund, facilitate, and grow diverse redevelopment and revitalization efforts that are essential to sustaining and strengthening our communities most in need.



HCEDA strongly supports Senate Bill 409 and respectfully requests a favorable report on these important resources to our regional economy.

Sincerely,

Jennifer Jones
CEO

A handwritten signature in blue ink, appearing to be "Jennifer Jones", written over a horizontal line.

SB 409_EconDevAuthority_Support.pdf

Uploaded by: Jennifer LaHatte

Position: FAV



Wes Moore | Governor
Aruna Miller | Lt. Governor
Harry Coker, Jr. | Acting Secretary of Commerce

DATE: February 5, 2025
BILL NO: Senate Bill 409
BILL TITLE: Economic Development - County or Municipality Economic Development Authority - Powers and Use of Proceeds
COMMITTEE: Senate Budget & Taxation
POSITION: Support

The Maryland Department of Commerce (Commerce) supports Senate Bill 409 – Economic Development - County or Municipality Economic Development Authority - Powers and Use of Proceeds.

Bill Summary:

Senate Bill 409 expands the authorized names and powers for a local economic development authority by allowing them the authority to issue bonds and use tax increment proceeds.

Background:

Under current law, counties and municipalities may establish, through local resolution, an industrial development authority with the power to receive funds from governmental units or nonprofits; charge fees for services; hire employees and/or consultants; and use the services of other governmental units. Additionally, under current law only local governments have the authority to issue bonds for tax increment financing.

Rationale:

Senate Bill 409 will expand the powers of a locally established authority by allowing it to receive and use funds from any public, private or nonprofit source; purchase or otherwise acquire, own, improve, lease, and sell or otherwise dispose of, real property; borrow money and directly issue bonds; purchase insurance and sue or be sued; pay land development impact fees; and otherwise transact business as necessary and in keeping with the authority’s statutory purpose. The legislation will also allow economic development authorities to issue bonds, and will expand the allowed uses of bond proceeds and tax increment funds to include a range of additional purposes, including infrastructure improvements; issuing loans for the purpose of encouraging redevelopment; administrative and legal overhead costs; financing of development costs, including environmental remediation; affordable housing and homeless assistance; acquisition and improvement of land; and convention, conference, or visitors’ centers. As a result, Senate Bill 409 will expand the ability of local economic development partners to complete economic development projects within their jurisdiction. Commerce supports granting the counties and municipalities the authority to add another tool to their economic development toolbox and allowing them the flexibility to do so in a manner that best suits their jurisdictions’ needs and abilities.

Commerce respectfully requests a favorable report on Senate Bill 409.

SB 409, FAV, FCG OCE, LS25.pdf

Uploaded by: Jessica Fitzwater

Position: FAV



FREDERICK COUNTY GOVERNMENT
OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

**SB 409 – Economic Development - County or Municipal Corporation Economic
Development Authority - Powers and Use of Proceeds**

DATE: February 5, 2025
COMMITTEE: Seante Budget and Taxation Committee
POSITION: Favorable
FROM: The Office of Frederick County Executive Jessica Fitzwater

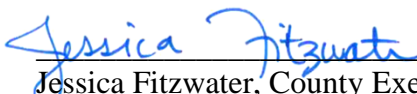
As the County Executive of Frederick County, I urge the committee to give SB 409 – Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds a favorable report.

By expanding the allowable uses of the Industrial Development Authority (IDA) in state code, this bill will provide a new tool for local governments to allocate funding to under invested communities. This is particularly important to my Administration as we work to implement our award-winning comprehensive plan, Livable Frederick. Livable Frederick envisions a future for Frederick County where everyone can live, work, and thrive while enjoying a strong sense of place and belonging. This can only be accomplished if we employ creative and innovative solutions to the emerging challenges facing our community, including the housing crisis and growing infrastructure needs.

SB 409 would provide local governments, including Frederick County, with the ability to create a Redevelopment Authority and leverage future tax growth to reinvest in key areas in our community that are currently underutilized and have seen ongoing disinvestment. The expanded uses of IDAs outlined in this bill would be a critical tool for investments in site readiness, affordable housing stock, and infrastructure that would enable us to create more transit-oriented, multi-income housing and mixed-use communities.

Frederick County is the fastest-growing county in the state, which offers great opportunity as well as significant challenges. Through coordination between all levels of government, we can address the needs of our community and bring the vision of Livable Frederick to life. I see SB 409 and the establishment of a Redevelopment Authority as strategic components to that puzzle.

Thank you for your consideration of SB 409. I urge you to advance this bill with a favorable report.



Jessica Fitzwater, County Executive
Frederick County, MD

MML - SB 409 - FAV.pdf

Uploaded by: Justin Fiore

Position: FAV



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

February 5, 2025

Committee: Senate Budget and Taxation

Bill: SB 409 – Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds

Position: Support

Reason for Position:

The Maryland Municipal League supports Senate Bill 409, which will further empower locally created development authorities.

Municipal IDAs play an important role in our economic development ecosystems. By supporting their work to develop or redevelop specific projects, the residents of Maryland's cities and towns will directly benefit. This could lead to new affordable housing options, infrastructure improvements, parks, playgrounds, and businesses.

For these reasons the League respectfully requests that this committee quickly provide SB 409 with a favorable report. For more information, please contact Justin Fiore, Deputy Director of Advocacy and Public Affairs, at justinf@mdmunicipal.org. Thank you in advance for your consideration.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 160 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.

Testimony Letter Frederick County SB0409.pdf

Uploaded by: Lara Fritts

Position: FAV



FREDERICK COUNTY GOVERNMENT
DIVISION OF ECONOMIC OPPORTUNITY

Jessica Fitzwater
County Executive

Lara Fritts, Director

February 3, 2025

Senator Guy Guzzone
Chair, Budget and Taxation Committee
3 West
Miller Senate Office Building
Annapolis, Maryland 21401

RE: Support for SB0409 Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds

Dear Mister Chairman,

As the Director of the Division of Economic Opportunity for Frederick County Government, I am responsible for enhancing the commercial tax base for the County while ensuring good jobs for our residents. As part of this important work efforts are underway for revitalizing traditionally underinvested areas throughout the County, most notably the implementation of the recently adopted South Corridors plan. As the economic driver for the County - our economic development program lacks the financial tools necessary to participate with the private sector in redevelopment to ensure the implementation of this community led plan.

Maryland counties have limited tools to address complex redevelopment and economic development needs. By expanding the uses of funds under the Industrial Development Authority (IDA) language as proposed in SB0409 Counties would be accelerate redevelopment, invest in affordable housing, and prepare sites to be ready for development with the goal of accelerating economic growth. SB0409 is enabling legislation providing local control to counties of their tax increment and the ability to work with our County Councils to create a Redevelopment Authority and project areas. Concisely, SB0409 makes changes to the state's IDA code by allowing for name change from industrial development authorities to something more reflective of modern economic development (such as Redevelopment Authority) and broaden the permitted uses of tax increment financing revenues to allow counties across Maryland to fund redevelopment programs that will target investments to underinvested areas of our communities.

In conclusion, I request the esteemed Budget and Taxation Committee to give SB0409 a favorable report. By empowering our local governments with the tools proposed in SB0409, we can revitalize our communities, accelerate economic growth, and ensure a prosperous future for our state. Thank you for your time and consideration.

Sincerely,

Lara Fritts, CECD, FM

SB 409 - EDA - FAV - REALTORS.pdf

Uploaded by: Lisa May

Position: FAV



Senate Bill 409 – Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds

Position: Support

Maryland currently faces a shortage of nearly 150,000 housing units and growing. Expanding the powers and funding sources for Economic Development Authorities (EDAs), as under SB 409, is a valuable tool to help close that housing gap.

There are a number of locations across Maryland in need of redevelopment. However, financing for these projects can be difficult to obtain, particularly if looking to change building uses to include housing in structures that were previously geared toward commercial activities. By broadening the ability to establish Economic Development Authorities and the tools they have at their disposal, housing projects that were not economically feasible may now be able to move toward completion.

Maryland's recent economic struggles are directly tied to our inability to produce the housing units needed to serve our residents. SB 409, if passed, could begin to address the housing shortage, and boost our economic production.

Maryland REALTORS® asks for your support for SB 409.

**For more information contact
lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org**

Testimony for SB409.pdf

Uploaded by: Lori Graf

Position: FAV

February 5, 2025

The Honorable Guy Guzzone
Budget and Taxation Committee
2 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: SUPPORT SB409 - Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds

Dear Chair Guzzone:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds. MBIA **Supports** the Act in its current version.

Senate Bill 409 expands the authorized names and powers for a local economic development authority by allowing them the authority to issue bonds and use tax increment proceeds. Under current law, counties and municipalities may establish, through local resolution, an industrial development authority with the power to receive funds from governmental units or nonprofits charge fees for services such as hire employees and/or consultant and use the services of other governmental units. Additionally, under current law only local governments have the authority to issue bonds for tax increment financing

Senate Bill 409 will expand the powers of a locally established authority by allowing it to receive and use funds from any public, private or nonprofit source; purchase or otherwise acquire, own, improve, lease, and sell or otherwise dispose of, real property; borrow money and directly issue bonds; purchase insurance and sue or be sued; pay land development impact fees; and otherwise transact business as necessary and in keeping with the authority's statutory purpose. The legislation will also allow economic development authorities to issue bonds, and will expand the allowed uses of bond proceeds and tax increment funds to include a range of additional purposes, including infrastructure improvements; issuing loans for the purpose of encouraging redevelopment; administrative and legal overhead costs; financing of development costs, including environmental remediation; affordable housing and homeless assistance; acquisition And improvement of land; and convention, conference, or visitors' centers.

As a result, the proposal will expand the ability of local economic development partners to complete economic Development projects within their jurisdiction. Commerce supports granting the counties and municipalities the authority to add another tool to their economic development toolbox and allowing them the flexibility to do so in a manner that best suits their jurisdiction

For these reasons, MBIA respectfully requests the Committee give this measure a favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Budget and Taxation Committee

SB0409 PresMD FAV.pdf

Uploaded by: Nicholas Redding

Position: FAV



PRESERVATION MARYLAND

February 05, 2025

Hon. Marc Korman
Environment and Transportation Committee
Taylor House Office Building, Room 250
6 Bladen Street
Annapolis, Maryland

RE: SB0409 FAVORABLE

Chairperson Korman,

On behalf of the staff and Board of Directors of Preservation Maryland and our thousands of statewide supporters, I thank you for the opportunity to provide written testimony in **SUPPORT of SB0409** – a piece of legislation that will empower jurisdictions to rename the Industrial Development Authority (IDA) and expand the uses of funds under the existing IDA to better address modern-day development and redevelopment needs.

Preservation Maryland is the nonprofit, statewide voice for historic preservation that harnesses the power of historic places by revitalizing and reinvesting in communities, advocating, and building the historic trades workforce for the benefit of all Marylanders. (Learn more at: presmd.org)

This legislation will modernize existing legislation by expanding the use of funds under the existing IDA to meet their community needs. Jurisdictions will be able to pursue targeted and strategic redevelopment activities to establish Redevelopment Authorities and use tax increment financing revenue to implement redevelopment plans. Which would allow for counties and Economic Development Officers to utilize existing legislation for broader redevelopment activities that solve for housing and place-based investment in traditionally underserved communities. We support this legislation as we believe its passage would support redevelopment across Maryland through expanding existing legislation.

SB0409 is an impactful piece of legislation, and we urge a favorable report.

Favorable

Sincerely,

Nicholas A. Redding, President & CEO

SB409.HB97. Support Letter .pdf

Uploaded by: Reuben Collins

Position: FAV



Charles County Government

CHARLES COUNTY COMMISSIONERS

Reuben B. Collins, II, Esq., *President*
Ralph E. Patterson, II, M.A., *Vice President*
Gilbert O. Bowling, III
Thomasina O. Coates, M.S.
Amanda M. Stewart, M.Ed.

Mark Belton
County Administrator

February 3, 2025

Re: Support for Senate Bill 409 – Economic Development Authority Powers and Use of Proceeds

Dear Chairman Guzzone, Vice Chairman Rosapepe, and Members of the Committee:

On behalf of the Charles County Board of County Commissioners, I write to express our strong support for Senate Bill 409, which proposes critical amendments to the Maryland Economic Development statutes. These changes will modernize the capabilities of economic development authorities at the county and municipal levels, enhancing their ability to drive growth and prosperity throughout the state.

Senate Bill 409 offers several forward-thinking provisions that align closely with Charles County's priorities for economic growth, infrastructure development, and community revitalization:

1. **Enhanced Flexibility for Local Authorities:** The bill expands the naming conventions and powers of economic development authorities, enabling them to act more effectively within their jurisdictions. These changes support tailored, localized solutions to complex economic challenges.
2. **Broadening the Scope of Financial Tools:** By authorizing economic development authorities to issue bonds and manage proceeds with greater flexibility, the bill ensures that critical projects—ranging from infrastructure improvements to affordable housing initiatives—can secure the necessary funding.
3. **Advancing Affordable Housing Initiatives:** The inclusion of affordable housing as a priority for development authorities addresses one of the most pressing challenges facing communities today, ensuring that new growth benefits residents across income levels.
4. **Promoting Transit-Oriented Development:** By focusing resources within designated project areas and transit corridors, Senate Bill 409 supports compact, walkable, and efficient communities that align with state and local smart growth principles.
5. **Economic Resilience and Inclusivity:** The bill allows the leveraging of public and private investments to encourage revitalization in underserved and distressed areas, creating opportunities for equitable economic development.

Charles County has experienced the benefits of a proactive economic development approach, and we believe the expanded powers and tools provided by Senate Bill 409 will enhance our ability to attract investment, support workforce growth, and improve the quality of life for our residents.

200 Baltimore Street, La Plata, Maryland 20646 • 301-645-0550 • 301-870-3000
Toll Free: 1-877-807-8790 • Fax: 301-645-0560 • E-Mail: Commissioner@CharlesCountyMD.gov
Maryland Relay Service: 7-1-1 (Relay Service TDD: 1-800-735-2258) • Equal Opportunity Employer
Visit online at www.CharlesCountyMD.gov



We urge the committee to issue a favorable report on this legislation. Thank you for your consideration of this vital effort to empower local jurisdictions and strengthen Maryland's economic future.

Sincerely,

A handwritten signature in blue ink, appearing to read 'RBC', with a long horizontal flourish extending to the right.

Reuben B. Collins, II, Esq., President
County Commissioners of Charles County

cc: Charles County Delegation

SB409.HB97. Support Letter .pdf

Uploaded by: Reuben Collins

Position: FAV



CHARLES COUNTY COMMISSIONERS

Reuben B. Collins, II, Esq., *President*
Ralph E. Patterson, II, M.A., *Vice President*
Gilbert O. Bowling, III
Thomasina O. Coates, M.S.
Amanda M. Stewart, M.Ed.

Mark Belton
County Administrator

February 3, 2025

Re: Support for Senate Bill 409 – Economic Development Authority Powers and Use of Proceeds

Dear Chairman Guzzone, Vice Chairman Rosapepe, and Members of the Committee:

On behalf of the Charles County Board of County Commissioners, I write to express our strong support for Senate Bill 409, which proposes critical amendments to the Maryland Economic Development statutes. These changes will modernize the capabilities of economic development authorities at the county and municipal levels, enhancing their ability to drive growth and prosperity throughout the state.

Senate Bill 409 offers several forward-thinking provisions that align closely with Charles County's priorities for economic growth, infrastructure development, and community revitalization:

1. **Enhanced Flexibility for Local Authorities:** The bill expands the naming conventions and powers of economic development authorities, enabling them to act more effectively within their jurisdictions. These changes support tailored, localized solutions to complex economic challenges.
2. **Broadening the Scope of Financial Tools:** By authorizing economic development authorities to issue bonds and manage proceeds with greater flexibility, the bill ensures that critical projects—ranging from infrastructure improvements to affordable housing initiatives—can secure the necessary funding.
3. **Advancing Affordable Housing Initiatives:** The inclusion of affordable housing as a priority for development authorities addresses one of the most pressing challenges facing communities today, ensuring that new growth benefits residents across income levels.
4. **Promoting Transit-Oriented Development:** By focusing resources within designated project areas and transit corridors, Senate Bill 409 supports compact, walkable, and efficient communities that align with state and local smart growth principles.
5. **Economic Resilience and Inclusivity:** The bill allows the leveraging of public and private investments to encourage revitalization in underserved and distressed areas, creating opportunities for equitable economic development.

Charles County has experienced the benefits of a proactive economic development approach, and we believe the expanded powers and tools provided by Senate Bill 409 will enhance our ability to attract investment, support workforce growth, and improve the quality of life for our residents.

We urge the committee to issue a favorable report on this legislation. Thank you for your consideration of this vital effort to empower local jurisdictions and strengthen Maryland's economic future.

Sincerely,

A handwritten signature in blue ink, appearing to read 'RBC', with a long horizontal flourish extending to the right.

Reuben B. Collins, II, Esq., President
County Commissioners of Charles County

cc: Charles County Delegation

SB409-King-Sponsor Testimony.pdf

Uploaded by: Senator Nancy King

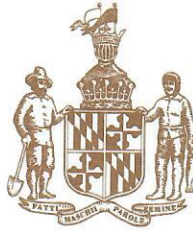
Position: FAV

NANCY J. KING
Legislative District 39
Montgomery County

Majority Leader

Budget and Taxation Committee

Chair
Education, Business and
Administration Subcommittee



James Senate Office Building
11 Bladen Street, Room 120
Annapolis, Maryland 21401
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800-492-7122 Ext. 3686
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Nancy.King@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401
SPONSOR STATEMENT

Senate Bill 409 – Economic Development - County or Municipal Corporation Economic Development Authority – Powers and Use of Proceeds

February 5, 2025

Mister Chairman and Members of the Budget and Taxation Committee:

Under current law, local jurisdictions can establish Industrial Development Authorities (IDAs) for purpose of increasing industry and commerce, promoting economic development and promoting the health, safety and welfare of the residents of Maryland, among other purposes. A municipal corporation or county may issue revenue bonds to carry out purposes under the Maryland Economic Development Revenue Bond Act, and taxing authorities can collect the tax revenue levied on the incremental increase of assessable property value over the base value year established for the district to use to repay the bonds.

The original uses of Industrial Development Authorities were to build industrial parks, however, this model does not work for the current needs of communities across Maryland. With limited supply of land and market shifts, counties and Economic Development Offices are looking to invest in broader redevelopment activities that would benefit housing and place-based investment in traditionally underserved communities.

Senate Bill 409 seeks to modernize state statute by expanding the uses of funds under the existing Industrial Development Authority to better address modern-day development and redevelopment needs. And it will expand the use of tax increment funds to create vibrant, walkable, and livable neighborhoods with improved housing, amenities, and infrastructure. Tax increment funds can be monetized by issuing a bond early in the project area life span or by collecting revenue in fund accounts to be deployed at a future date.

As the needs of our local communities continue to evolve, this legislation will allow local jurisdictions to leverage future tax growth to reinvest in key areas of their communities without directly burdening their local budgets and so I respectfully request a favorable report on Senate Bill 409.

SB 409001.pdf

Uploaded by: Stephanie Jarrell

Position: FAV



*Queen
Anne's
County*

**THE COUNTY COMMISSIONERS OF
QUEEN ANNE'S COUNTY**

The Liberty Building
107 North Liberty Street
Centreville, MD 21617

e-mail: QACCommissioners&Administrator@qac.org

County Commissioners:

James J. Moran, At Large
Jack N. Wilson, Jr., District 1
J. Patrick McLaughlin, District 2
Philip L. Dumenil, District 3
Christopher M. Corchiarino, District 4

*County Administrator: Todd R. Mohn, PE
Executive Assistant to County Commissioners: Stephanie Jarrell
County Attorney: Patrick Thompson, Esquire*

January 28, 2025

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

RE: SB 409 – Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds **SUPPORT**

Dear Honorable Guzzone,

On behalf of the Queen Anne's County Commissioners, we are writing to express our strong support for Maryland Senate Bill 409, which seeks to modernize the powers of Economic Development Authorities and grant local jurisdictions the ability to establish Revenue Authorities or Development/Redevelopment Authorities. As a rural community, Queen Anne's County stands to greatly benefit from the expanded tools provided by this bill, which will enable us to address both the challenges and opportunities unique to rural economic development.

Senate Bill 409 is vital for Queen Anne's County as it provides the flexibility to establish Redevelopment Authorities (RDAs) that can spearhead targeted development and revitalization efforts, particularly in underserved rural areas. As a rural jurisdiction with limited resources, it is critical that we have the ability to strategically plan and manage growth while maintaining the character and quality of life for our residents. The creation of RDAs will help us efficiently manage redevelopment projects that enhance infrastructure, provide housing options, and attract businesses—all crucial for supporting sustainable rural growth.

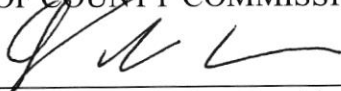
In addition to providing a mechanism for local governance, Senate Bill 409 empowers counties like ours to use tax increment financing (TIF) revenues to fund redevelopment projects, ensuring that necessary investments can be made without placing undue burden on local taxpayers. This tool will be especially important as we look to stimulate economic activity, revitalize key areas, and attract investment to our rural communities. It will help us navigate the limitations of available land while fostering job creation, housing development, and infrastructure improvements in a way that aligns with our long-term goals.

The expanded authority granted by this bill will allow Queen Anne's County to undertake redevelopment projects that may otherwise be financially challenging, creating opportunities for growth, enhancing quality of life, and addressing housing and infrastructure needs in a more holistic way. This

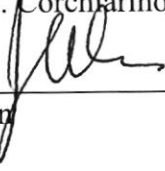
will be a key step in ensuring that rural communities are not left behind in the face of rapid urban development across the state, and that we have the resources to plan for a sustainable future.

We strongly urge you to support House Bill 97, as it will provide the tools needed to foster economic growth, redevelopment, and community revitalization in rural areas like Queen Anne's County. Thank you for your attention to this important legislation, and for your continued commitment to the prosperity of Maryland's rural communities.

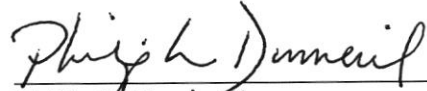
QUEEN ANNE'S COUNTY
BOARD OF COUNTY COMMISSIONERS



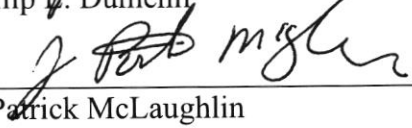
Christopher M. Corchiarino, President



James J. Moran



Philip L. Duménil



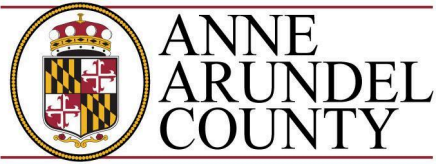
J. Patrick McLaughlin

Jack N. Wilson

Anne Arundel County_FAV_SB409.docx.pdf

Uploaded by: Steuart Pittman

Position: FAV



M A R Y L A N D

**Office of the County Executive
STEUART PITTMAN**

February 5, 2025

The Honorable Guy Guzzone
Budget and Taxation Committee
West-Miller Senate Building, Room 3
Annapolis, Maryland 21401

Re: Support for Senate Bill 409 - Economic Development - County or Municipal Corporation Economic Development Authority - Powers and Use of Proceeds

Chairman Guzzone, Vice Chair Rosapepe, and Distinguished Members of the Budget and Taxation Committee:

Anne Arundel County requests a FAVORABLE REPORT on Senate Bill 409.

I am pleased to offer this letter in support of Senate Bill 409, which provides an important tool to advance revitalization efforts such as housing, infrastructure and place-based investment in underinvested communities.

Senate Bill 409 modernizes state statute by allowing jurisdictions to rename Industrial Development Authorities (IDAs) as Redevelopment Authorities (RDAs) or adopt a name of their choosing. It also expands the permissible uses of IDA funds to support broader redevelopment and revitalization efforts.

Redevelopment Authorities provide a number of benefits to counties, such as Anne Arundel, that seek to revitalize specific areas based on community need. They provide:

Tailored solutions for local needs

- They can focus on unique challenges and opportunities within a specific area of a community.

Expertise and leadership focused on revitalization efforts:

- A Redevelopment Authority provides a dedicated entity to spearhead redevelopment initiatives, ensuring sustained focus on community revitalization and economic growth.

- It acts as a centralized organization to coordinate projects, engage stakeholders, and align efforts with legislative goals.

Enhanced Access to Funding and Resources

- Redevelopment Authorities can unlock funding opportunities unavailable to other entities, such as grants, bonds, and tax increment financing (TIF).
- This legislation allows for Redevelopment Authorities to access and leverage private funding to maximize financial and resource impact for redevelopment projects

Catalyst for Broader Community Transformation

- Redevelopment Authorities often spark further investment and improvement beyond their direct projects, creating a ripple effect of revitalization throughout the area.

The authority granted under this Bill provides local governments with additional tools to better fund, facilitate, and grow the diverse redevelopment and revitalization efforts that are essential to sustaining, transforming, and strengthening our communities most in need. I respectfully request your support in enabling this local tool.

Sincerely,



Steuart Pittman
County Executive
Anne Arundel County

SB0409_AAEDC Letter of Support_Budget and Taxation

Uploaded by: Steven Adams

Position: FAV



February 3, 2025

The Honorable Guy Guzzone
Budget and Taxation Committee
West-Miller Senate Building, Room 3
Annapolis, Maryland 21401

Re: Support for Senate Bill 0409

Chairman Guzzone, Vice Chair Rosapepe, and Distinguished Members of the Budget and Taxation Committee:

The Anne Arundel Economic Development Corporation (AAEDC) requests a FAVORABLE REPORT on Senate Bill 0409.

AAEDC is a quasi-governmental organization whose mission is to serve as a catalyst for business growth in Anne Arundel County – thereby increasing job opportunities, expanding the tax base, and improving citizens’ quality of life. We offer a host of services to accomplish this, and we are proud to offer them to businesses in all areas of the county.

We are also proud that two of our programs, the Arundel Community Reinvestment (ACR) Fund and the Community Revitalization Tax Credit, support the redevelopment and revitalization of many of our older commercial districts. They do so by incentivizing property owners to invest in and improve properties located in Arundel County’s eleven Commercial Revitalization Districts, parts of the City of Annapolis, and Brooklyn Park, the county’s designated Enterprise Zone. These investments beautify neighborhoods and spur economic activity that benefits local businesses, the economy, and the residents of surrounding communities.

Given AAEDC’s direct and active involvement in local revitalization and redevelopment activities, I am pleased to offer this letter in support of Senate Bill 0409, which provides an important tool to advance these efforts in underinvested communities.

Senate Bill 0409 modernizes state statute by allowing jurisdictions to rename Industrial Development Authorities (IDAs) as Redevelopment Authorities (RDAs) or adopt a name of their choosing. It also expands the permissible uses of IDA funds to support broader redevelopment and revitalization efforts.



SB0409 equips counties and municipalities with flexible tools to adopt modern economic development strategies. It enables more targeted redevelopment efforts through community-driven plans while ensuring oversight and alignment with local needs.

This Bill does not affect existing IDAs or bonding capacity of local government. Rather, it provides jurisdictions with enhanced options for funding redevelopment initiatives and a centralized organization to coordinate projects, engage stakeholders, and align efforts with legislative and community goals.

Most importantly, the Bill greatly expands authorities' ability to secure crucial financing by unlocking access to sources such as grants, bonds, tax increment financing (TIF), and private funding, thereby maximizing the financial and resource impact of redevelopment projects.

Taken together, the authority granted under this Bill provides local governments with additional tools to better fund, facilitate, and grow the diverse redevelopment and revitalization efforts that are essential to sustaining, transforming, and strengthening our communities most in need.

AAEDC strongly supports Senate Bill 0409 and respectfully requests a favorable report on these important resources to our regional economy.

Sincerely,

A handwritten signature in black ink, appearing to read "Amy Gowan", written in a cursive style.

Amy Gowan
CEO/President

SB0409-BT_MACo_SWA.pdf

Uploaded by: Dominic Butchko

Position: FWA



Senate Bill 409

Economic Development - County or Municipal Corporation
Economic Development Authority - Powers and Use of Proceeds

MACo Position: **SUPPORT**

To: Budget & Taxation Committee

WITH AMENDMENTS

Date: February 5, 2025

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** SB 409 **WITH AMENDMENTS**. This bill expands the scope of certain economic and industrial development authorities established by county governments.

Maryland is facing historic challenges this legislative session. Uncertainty over the state economy, how changes in Washington will affect Marylanders, lags in affordable housing production, a budding energy crisis brought on by nearby high energy-users, and a myriad of other important issues all need to be addressed by legislators in 2025. The single thread that binds all of these issues together is that a more resilient, faster growing, diverse economy will largely insulate our constituents from some of the worst headwinds still beyond the horizon. This bill gives counties a stronger tool to help build a broader economy in the communities that our mutual constituents call home.

Counties applaud the intent of SB 409 and are keenly interested in partnership and being proactive stakeholders in steering Maryland into a more vibrant future. Counties offer one amendment to buttress a local legislative body's oversight and auditing authority over the economic and industrial development authorities which may be created under this bill:

- On page 7, in line 13, after "AREA PLAN.", insert: "THE LEGISLATIVE BODY OF A COUNTY OR MUNICIPALITY SHALL HAVE FULL AUDITING AND OVERSIGHT AUTHORITY OVER AN ESTABLISHED AUTHORITY."

With this amendment, SB 409 would become another more flexible tool in the toolbox to spur economic growth and resilience. For this reason, MACo urges the Committees to give SB 409 a report of **FAVORABLE WITH AMENDMENTS**.