

## **SB0235 - Housing and Community Development - Proj**

Uploaded by: Annapolis Pride

Position: FAV



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**BILL:** Senate Bill 0235 - Housing and Community Development - Project Restore Program - Establishment

**DATE:** January 21, 2025

**POSITION:** FAVORABLE

**COMMITTEE:** Education, Energy, and the Environment

**CONTACT:** Joe Toolan | [joe@annapolispride.org](mailto:joe@annapolispride.org)

Annapolis Pride's mission is to advocate for, empower, and celebrate the LGBTQ+ community in Anne Arundel County to live fully and authentically. Our vision is a safe, equitable, and anti-racist community where people of all identities thrive.

As such, the Board of Directors of Annapolis Pride **supports** Senate Bill 235, establishing the Project Restore Program within the Department of Housing and Community Development; to distribute Program funds to place-based community development organizations and units of local governments; and to distribute subgrants.

This legislation will ensure that there are resources available to not only support small businesses but also support sustainable development which benefits all community members. Maryland's LGBT Chamber of Commerce has a membership of almost 100 businesses. LGBT-owned businesses positioned all over the state are working hard to ensure that our local and economic business centers continue to thrive as we build stronger communities, where members of ALL communities are represented and have space to contribute fully to the ever-changing world.

According to the HRC 22% of LGBTQ adults live below the poverty line (compared to 16% of non-LGBTQ adults). These community members benefit from being able to live and work in thriving communities and revitalized areas. A keystone of Sustainable Communities is to be located near a town center or transit center, which may provide benefits to communities like the LGBTQ+ community as proximity to transit centers ensures that community members can get to and from essential services.

Further, Annapolis Pride has been a key stakeholder within Anne Arundel County's sustainable development plan, to ensure that members of our community, commonly overlooked, have a voice at the table. We know the benefits of sustainable development will benefit all of Maryland's communities.

Accordingly, Annapolis Pride respectfully requests a **favorable** committee report on Senate Bill 235.

# **MLU Support Letter - SB235.pdf**

Uploaded by: Carlos Orbe, Jr.

Position: FAV

**January 17, 2025**

The Honorable Delegate Ben Barnes  
Appropriations Committee  
House Office Building  
6 Bladen Street  
Annapolis, MD 21401

**Support for Senate Bill 235 – Housing and Community Development – Project Restore Program – Establishment**

Dear Members of the Appropriations Committee,

On behalf of Maryland Latinos Unidos (MLU), I am writing to express our strong support for Senate Bill 235 (SB0235), the “Housing and Community Development – Project Restore Program – Establishment.” This legislation is a critical measure aimed at revitalizing under-resourced communities and addressing economic and housing inequities, particularly those affecting Latino and immigrant populations across Maryland.

The Latino community represents over 12% of Maryland’s population, yet continues to face disproportionate housing cost burdens and economic barriers. SB0235 proposes to:

- **Expand Affordable Housing:** The program’s focus on rehabilitating vacant and underutilized properties will increase the availability of safe and affordable housing. Over 40% of Latino households in Maryland currently experience severe housing cost burdens, highlighting the urgent need for this initiative (Maryland Housing Needs Assessment, 2023).
- **Stimulate Local Economies:** By funding property restoration, the program creates jobs and supports local businesses, including those owned by Latino entrepreneurs, thus contributing to long-term economic growth.
- **Enhance Community Infrastructure:** Investments in distressed neighborhoods will lead to improved public services and infrastructure, fostering vibrant communities where families can thrive.

MLU has consistently advocated for policies that promote equity, inclusion, and economic empowerment for all Marylanders. SB0235 aligns with these values by addressing systemic inequities in housing and economic opportunities while providing the tools necessary for underserved communities to prosper.

We strongly urge the members of the Appropriations Committee to support this important legislation. By advancing SB0235, Maryland demonstrates its commitment to building inclusive and equitable communities for generations to come.

**Sincerely,**

Carlos Orbe, Jr.  
Communications and Public Affairs Specialist

Maryland Latinos Unidos  
corbejr@mdlatinosunidos.org

# **SB0235-EEE\_MACo\_SUP.pdf**

Uploaded by: Dominic Butchko

Position: FAV



## Senate Bill 235

### *Housing and Community Development - Project Restore Program - Establishment*

MACo Position: **SUPPORT**

To: Education, Energy, and the Environment  
Committee

Date: January 21, 2025

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** SB 235. This bill establishes the Project Restore Program, providing counties with resources to tackle vacancy and revitalize many of Maryland's historic business districts.

The economic reverberations both from the COVID-19 pandemic and from larger changes in how our economy functions have left many communities reeling. These shifts are most present in many of the state's historic business districts. For generations, these districts functioned as both the economic heart and social connective tissue for communities. However, these important corridors have declined in recent decades, causing a negative cascading effect in some surrounding areas.

By focusing on the improvement and occupancy of vacant commercial properties, SB 235 will stimulate economic development, foster job creation, and enhance the quality of life for residents. The program's emphasis on aiding small businesses contributes to the vitality and sustainability of local economies, a priority for Maryland's counties.

SB 235 puts another tool in the toolbox to address the economic challenges of today and to continue to keep Maryland a great place to call home for many days to come. For this reason, MACo **SUPPORTS** SB 235 and urges a **FAVORABLE** report.

# **SB235\_DHCD\_SUPPORT.pdf**

Uploaded by: Jake Day

Position: FAV



**DATE:** January 21, 2025

**BILL NO.:** Senate Bill 235

**TITLE:** Housing and Community Development – Project Restore Program - Establishment

**COMMITTEE:** Senate Education, Energy, & the Environment Committee

### **Letter of Support**

#### **Description of Bill:**

SB235 formally establishes the Project Restore Program within the Department of Housing and Community Development (DHCD), supporting start-up and expanding small businesses to reactivate vacant commercial spaces in business districts designated as Sustainable Community Areas across the state. Awards are made to place-based economic development organizations and local governments to incentivize small business investment in vacant storefronts. Eligible uses of funding include rent, interior and exterior renovation, furniture, fixtures and equipment, and building acquisition. Providing support for acquisition allows the business owner to purchase the commercial building where their business is located, building wealth and preventing displacement.

#### **Background and Analysis:**

Launched by the Department in FY22 with American Rescue Plan Act funds, Project Restore has supported nearly 800 small businesses and created more than 1,400 jobs. In the first two rounds of Project Restore, more than 60% of the funding recipients were minority- and women-owned businesses, illustrating the special nature of Project Restore as both a place-based economic development tool and a vehicle for entrepreneur wealth building. In addition to growing small businesses and contributing to job creation, Project Restore enhances the character and appeal of Maryland's vital downtowns and neighborhood commercial districts.

In every program year, the Department has received more requests for funding than funding available. In FY22, the Project Restore program received more than 800 applications requesting \$62.9 million for \$25 million in available funds. The Department awarded \$23.9 million directly to 352 small businesses. In the FY23 round, DHCD received 761 applications requesting \$87.3 million in funding, and made 380 awards directly to small businesses totaling \$24.6 million.

In FY24, the Department redesigned Project Restore to make block grants to place-based economic development organizations that sub-grant those funds to small businesses starting in or expanding to vacant commercial spaces in revitalizing business districts. While Project Restore no longer provides funds directly to businesses, small businesses are still the end beneficiary. Working with place-based economic development organizations ensures the Project Restore investment is aligned with local placemaking and economic development goals and provides ongoing local technical assistance to small businesses. The Department received \$26 million in requests for the FY24 funding round from 92 organizations for almost \$15 million in remaining ARPA funds. DHCD awarded funding to 55 organizations, of which 32 represent Main Street communities.

Among the complement of grant programs provided by the state, Project Restore fills an important gap because:

- It is specifically designed to reduce vacant commercial spaces in downtown and neighborhood commercial corridors in need of revitalization.
- It provides low-barrier access to capital, particularly for women- and minority-owned businesses.
- The end beneficiary of the grant program must be a small business.
- It offers wrap-around support for small businesses through partnerships with and funding to place-based economic development organizations with a mission to revitalize their local commercial corridors. In addition to providing Project Restore funds to small businesses to fill vacant commercial spaces, these economic development partners support businesses with marketing, branding and other technical assistance that make it more likely for a small business to succeed.
- It supports micro and the earliest stage businesses, which can use the grant for start-up costs and does not require a match for awarded funds. For small businesses without personal wealth, a match requirement can be a barrier to entry.

The program supports a balanced distribution of funding across Maryland, from rural to urban areas, with specific emphasis on areas in need of revitalization. Below are success stories from three businesses that received Project Restore support.

Sweet Home Jamaica, a women-owned business providing Jamaican, vegetarian and seafood dishes in the Brooklyn neighborhood of Baltimore City, used Project Restore funding to make much needed repairs to their restaurant space. Surrounded by mostly vacant spaces when they opened, they have become an anchor to the block. Many of those vacant spaces are now occupied by new businesses. The restaurant gives back to the Brooklyn community, supporting local initiatives like back-to-school fundraisers.

The Ugly Pie, a women-owned bakery, is growing its business in a new space in Salisbury. The restaurant supplies the community with handmade, from scratch pie, quiche, and pot pies. Their larger kitchen and new staff allowed them to expand their menu. In their first year in business they sold 30 pies for Thanksgiving; whereas, last year, they sold 950 pies for the holiday.

Runner's Wings, a veteran-owned business in historic downtown Frostburg, supplies the area's runners and fitness enthusiasts with shoes and accessories. Project Restore support ensured Runner's Wings was successful in its first years in business. Runner's Wings gives back to the community by sponsoring teams and events. The business was nominated for the Best of the Blue Ridge Awards for Running Shops in their first year of business.

#### **DHCD Position**

The Maryland Department of Housing and Community Development respectfully requests a **favorable** report on SB 235.



# **SB0235-EEE-SUPP.pdf**

Uploaded by: Nina Themelis

Position: FAV



**BRANDON M. SCOTT**  
MAYOR

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

**SB 0235**

January 21, 2025

**TO:** Members of the Education, Energy and the Environment Committee

**FROM:** Nina Themelis, Director of Mayor's Office of Government Relations

**RE:** Senate Bill 235 - Housing and Community Development - Project Restore Program - Establishment

**POSITION: Support**

Chair Feldman, Vice Chair Kagan and members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 235.

SB 235 would establish the Project Restore Program within the Department of Housing and Community Development and authorize the Department to distribute funds to certain place-based community development organizations and units of local government. The Bill would allow recipients of funds to distribute subgrants to qualified entities and specifies the eligible uses of Program funds.

The Bill is geared towards assisting qualified businesses and organizations as they work to activate vacant commercial spaces by providing financial support to improve the vitality of those corridors. The Project Restore Program is an important component of the vacancy reduction efforts that are currently under way in Baltimore. On December 11, 2023, Mayor Scott announced a historic agreement between BUILD, GBC, & Mayor Scott to address the vacant & abandoned housing crisis in the city at scale, over 15 years. Thriving businesses support healthy neighborhoods and the City and the State must work together to explore every tool to address both residential and commercial vacancy.

The Bill also provides for funds to be used for operating capital, which is critical to supporting start-up businesses by emerging owners. The 2024 Program Restore awardees included 18 organizations based in Baltimore City, totaling over 4 million dollars in awards and investment.

For these reasons, the BCA respectfully request a **favorable** report on SB 235.