



SB 4 Economic Development- West North Avenue Development Authority- Alterations

Hearing before the Senate Finance Committee

January 22, 2025

Position: Unfavorable

The Community Law Center (CLC), a 501(c)(3) nonprofit organization, is a legal partner to Maryland neighborhoods and nonprofits in pursuit of more just and vibrant communities. CLC provides direct legal representation to communities and nonprofits on issues like tax exemption and organizational governance, real estate, contracts, intellectual property, employment law, and more. We advocate on issues that impact our Maryland neighborhood and nonprofit clients, including to reform the tax sale system and to prevent and remediate property vacancy and abandonment.

CLC supports economic growth that is community-led, uplifting neighborhoods so they have a meaningful voice in much needed redevelopment efforts. SB 4, as drafted, gives the West North Avenue Development Authority (WNADA) a concerning overreach of quasi-governmental power without the necessary checks and balances or community protection. Thus, the potential for overreach and misuse is substantial. Most concerning, SB 4 provides no explicit protection for owner occupied residential properties from WNADA's eminent domain power. CLC proposes an amendment to SB 4 specifically prohibiting the WNADA Board from considering owning or operating a project that would require the use of eminent domain on an owner-occupied residential property.

SB 4 removes the need to adhere to provisions in Title 5A, Maryland's Division of Historical and Cultural Protections. Removing the requirement to follow historical protection provisions in a low-income historic district allows for development to fundamentally change the character of historic communities without the same protection and action that would be taken in higher income areas. While the need for economic growth is substantial, it cannot be accomplished at the detriment of the facades that carried neighborhoods across decades.

SB 4, in listing the mechanisms by which it can acquire property in Baltimore City, does not prioritize the list of powers. Thus, eminent domain can be used before, for instance, in rem foreclosure. CLC contends that prioritizing this list protects residential neighborhoods from

private development overreach. Moreover, removing the “sunset” provision for WNADA allows a broad reach of power to proceed without prescribed legislative limit. CLC recommends either leaving the 2026 sunset provision in place, or extending it without eliminating it entirely. Additionally, while there is community representation on WNADA’s Board, it only provides for 2 individuals, and the composition of communities involved in the criteria for those persons excludes neighborhoods specifically affected by current WNADA action.

CLC does not support SB4 as currently drafted, and would be glad to work on amendments that allow for development while still protecting neighborhoods. Thank you for the opportunity to testify.

For the above reasons, CLC urges a **UNFAVORABLE VOTE ON SB4.**

Please contact Amy Petkovsek, Executive Director at Community Law Center, with any questions.

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