



House Bill 1137

*Land Use - Multifamily Developments and Mixed-Use Developments - Authorization
(Bring Back Main Street Act)*

MACo Position: **OPPOSE**

To: Economic Matters Committee

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From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **OPPOSES** HB 1137. As drafted, the bill would override county adequate public facilities ordinances and other growth management tools by effectively requiring that any commercial or recreational parcel served by public water and sewer—regardless of available system capacity—be opened to multifamily or mixed-use development at the county’s highest allowable densities. In doing so, HB 1137 displaces the range of factors jurisdictions are expected to weigh when allocating density and would undercut the State-required comprehensive planning framework, which is designed to balance infrastructure realities, environmental constraints, local priorities, and meaningful community input.

For the past three years, Maryland’s counties and the General Assembly have shared a clear priority: expanding the supply of affordable housing. That commitment is reflected in major recent actions, including the Housing Expansion and Affordability Act of 2024 (HB 538/SB 484) and legislation authorizing Accessory Dwelling Units (ADUs) statewide in 2025 (HB 1466/SB 891). MACo played a pivotal role in advancing these—and many other—housing measures during this period. That work culminated in MACo’s 2026 legislative initiative bill, the Building Affordably in My Back Yard (BAMBY) Act, a county-backed comprehensive and pragmatic path forward to meet the current moment. Counties welcome tools to help advance housing at all levels, where it fits within their infrastructure capacity.

A central focus for the Administration, local governments, and the public has been assessing how current systems function and where processes can be improved. While HB 1137 appears intended to align with that objective, it falls short of a well-tailored response to Maryland’s current needs and would create significant implementation challenges.

Key county concerns include:

Erosion of Adequate Public Facilities Safeguards

Counties are responsible for planning, financing, and operating core public services and infrastructure—schools, transportation networks, water and wastewater systems, and emergency

response, among others. Adequate Public Facilities Ordinances (APFOs) are a primary tool to ensure development can proceed in a way that does not outpace the capacity of those systems. *HB 1137 would weaken or bypass these safeguards by requiring approvals regardless of capacity, increasing the risk of overcrowded schools, strained utilities, traffic impacts, and diminished service levels.*

Higher Density Without Due Consideration

Under State law, counties must make density decisions by weighing multiple considerations, including infrastructure capacity, geography, environmental conditions, and community input. By mandating that eligibility is triggered simply by the presence of water and sewer service—without regard to system capacity or other local planning factors—*HB 1137 would invite significant unintended consequences, including to public health and safety, and reduce a county's ability to manage growth responsibly.*

Blanket Inclusion of Commercial and Recreational Parcels

Counties already use mixed-use zoning to integrate housing and commercial activity where it advances local plans and community needs. HB 1137's across-the-board inclusion of all commercial and recreational parcels is problematic because it treats very different land types as interchangeable redevelopment sites. Commercial areas can be critical employment and small business hubs that rely on predictable zoning and site standards, while recreational parcels often reflect long-term public investments in parks, open space, and community amenities that are difficult—if not impossible—to replace once converted. These tradeoffs are typically resolved through comprehensive planning and case-by-case review, not a statewide by-right entitlement. *HB 1137 would apply one-size-fits-all principles to very different land parcels, that have unique needs and capacities, which are best managed at the local level.*

Preemption of Local Affordability Tools

Capping local affordability requirements for these projects would strip counties of key market tools used to address a persistent market failure: absent targeted requirements and incentives, the private market routinely under-produces housing affordable to low- and moderate-income households. Counties frequently pair zoning flexibility or added density with inclusionary requirements and local subsidies—such as housing trust fund dollars, fee waivers, expedited review, public land dispositions, infrastructure participation, and PILOT arrangements—to make deeper affordability feasible. *By limiting what counties can require in exchange for these public investments, HB 1137 would undercut local anti-displacement strategies and reduce the affordability outcomes counties are actively trying to achieve.*

Parking Preemption and Local Impacts

Parking demand is highly site-specific and is typically calibrated to local transit service, walkability, existing curb capacity, neighborhood spillover, and public safety needs. *HB 1137's broad limits on minimum off-street parking requirements would shift impacts from private sites onto public streets, increasing congestion and enforcement burdens and potentially undermining access for residents,*

customers, employees, and people with disabilities—particularly in communities outside high-frequency transit corridors.

Preemption of Site Standards

Sweeping limits to basic site standards—lot size and coverage, setbacks, buffering/screening, and open space—are concerning because these are the core guardrails counties use to match development to real-world conditions. They are tied to stormwater and flooding risk, utility placement and easements, emergency access, pedestrian safety, and transitions to nearby neighborhoods. *By restricting local discretion over these baseline requirements, HB 1137 would leave counties with fewer tools to prevent problems that are known to occur.*

County-Only Application

Limiting the bill’s mandate to counties targets only part of Maryland’s development ecosystem. Much of the State’s existing high-density housing stock—and many of the most viable near-term opportunities for additional density—are located in municipalities with established main streets, transit nodes, and street grids specifically designed to support mixed-use growth. *By imposing sweeping preemption on counties while excluding most municipal zoning regimes, HB 1137 creates an uneven framework and candidly misses many of the main areas eligible for infill development.* Indeed, the potential to draw development *away* from “Main Street” downtown belies the very title of the bill.

Counties remain committed to partnering with the State to address Maryland’s housing needs in a pragmatic and balanced manner. As drafted, HB 1137 would upend long-standing smart growth principles and well-considered local planning processes while creating significant operational and fiscal challenges for local governments. For these reasons, MACo respectfully urges the Committee to issue an **UNFAVORABLE** report on HB 1137.