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SB0455

March 31, 2026

TO: Members of the Economic Matters Committee

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

RE: Senate Bill 455 – SB 0455 -Economic Development - Transformational Project Financing Program - Establishment

POSITION: FAVORABLE

Chair Valderrama, Vice Chair Charkoudian, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** SB 455.

SB 455, as amended, would establish the Transformational Project Financing Program in the Department of Housing and Community Development to designate certain development districts as State-supported development districts; authorize a governing body of a political subdivision to apply to the Corporation for approval as a State-supported development district; require the Corporation to publish at least annually a summary of approved State-supported development districts; provide for the eligibility for and calculation of certain State revenue; etc.

Baltimore City is the largest city in the state and historically has been a huge economic driver for the rest of the state; this has especially been true of the downtown area specifically. With the advent of remote work, commercial real estate devaluation, and decades of disinvestment in key areas, an economic challenge has grown to a size that local tools alone cannot address. Downtown Baltimore has experienced more than $647 million in assessed property value losses; this affects state revenue as a whole.

For Baltimore, this legislation provides the structure needed to address the entrenched factors that have contributed to this issue. It layers state revenue capture on top of local property tax increment, it recognizes that investment in sustainable communities, transit-oriented developments, enterprise zones, and arts districts, means new economic activity by way of the priority area designation. Lastly, the expanded allowable uses for bond proceeds—will help revitalize aging commercial buildings that need substantial capital to be competitive.

As such, the BCA respectfully requests a **favorable** report on SB 455.

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