



House Bill 984
House Economic Matters
Land Use – Transit-Oriented Development –Alterations
(Maryland Transit & Housing Opportunity Act)
March 3, 2026

Dear Chair Valderrama and Members of the Economic Matters Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland’s community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland’s urban, suburban and rural communities.

House Bill 894 makes it easier to build and fund mixed-use development projects adjacent to transit facilities. In a time of tremendous need for economic growth and affordable housing, the benefits of leveraging the over 300 acres of State-owned land near transit are immense. MDOT estimates that its land in the Baltimore region and along the MARC Penn Line could generate 7,000 housing units and \$1.4 billion in state and local tax revenue.

According to numerous reports, Maryland needs 100,000 new homes in order to meet the demand for homes throughout the state. Despite the State’s strong economic recovery from COVID-19, many residents are struggling with sharply rising housing costs. These costs are exacerbated by a limited supply of land for new multifamily construction. A mismatch between the space needed for growth and the zoned capacity to accommodate growth has created an oversupply of land zoned for low-density development and an undersupply of land zoned for higher-density development. While Maryland has more than enough land to accommodate single family housing unit growth through the year 2045, the state currently has a shortage of land to accommodate high-density housing developed at densities of 10 units per acre or more.

Housing is of particular concern to all of the state’s high cost challenges including health, education and economic growth. Without government intervention, housing will continue to be out of reach to young working families, older adults and people with disabilities.

The bill addresses zoning challenges near high-frequency rail transit by adding flexibility to parking solutions for new development, encouraging mixed-use development, and allowing the

Maryland Department of Transportation (MDOT) to lead on the development plan for Department-owned land contiguous to transit, working alongside local jurisdictions. The bill addresses project financing challenges and risks by creating new incentives for TOD development. The legislation incorporates locally designated TOD areas into the State's Enterprise Zone (EZ) program, positioning sites' job-generating developments for financial incentives. The legislation will also delay the imposition of impact fees until construction of a TOD project is complete. This shift in timing will reduce upfront costs to development. The bill would also affirm that TOD on State-owned transit-adjacent land is a priority for funding under the Strategic Infrastructure Revolving Loan Fund.

We respectfully request a favorable report for House Bill 894.