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CHAIR  
Economic Development Committee (ECON)  
MEMBER  
Planning, Housing and Parks Committee (PHP)



MONTGOMERY COUNTY COUNCIL  
ROCKVILLE, MARYLAND

March 3, 2026

TO: The Honorable Kriselda Valderrama  
Chair, Economic Matters Committee

FROM: Natali Fani-González   
Montgomery County Council President

RE: House Bill 894: *Land Use – Transit–Oriented Development – Alterations  
(Maryland Transit and Housing Opportunity Act)*

Support with Amendments

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I am writing on behalf of the Montgomery County Council to express support for House Bill 894, *Land Use – Transit Oriented Development –Alterations (Maryland Transit and Housing Opportunity Act)*, with amendments that address issues identified by the Maryland-National Capital Park and Planning Commission (M-NCPPC) in its position statement (attached hereto).

The bill confers certain land use benefits and development incentives for land close to rail stations with at least hourly train service on weekdays. The bill encourages mixed-use and residential development near transit and furthers the Administration’s goal of increasing Transit Oriented Development (TOD), a category of economic development and housing production that minimizes demand on roadways and may reduce overall housing and transportation costs for residents.

The Council supports the Administration’s desire to create more tools to promote housing production and TOD by removing some barriers to development near transit. In Montgomery County, the bill would apply to Metrorail stations and Purple Line stations but not to MARC Commuter Rail stations, as no MARC stations in the county have hourly service. Through local legislation enacted in 2024, the County has already eliminated parking minimums near rail transit to support our own TOD goals. Local developers supported the passage of this zoning text amendment to reduce their costs of development near transit. Our local zoning code already supports residential density and mixed-used development near transit. The bill has the potential

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to attract TOD to State-owned land near Metrorail, which is where we would like to prioritize future development.

While we have adopted local land use policies in the County to support TOD, we are also supportive of the benefits this bill would confer on the County by encouraging more TOD near MARC stations in Central Maryland and in the Capital Region. Some of those developments would benefit the County by bringing new residents and businesses that could then access the County via MARC connections to Metrorail, Purple Line, and bus connections. Further, we support more examples of TOD in the State because it is a great way to encourage growth that uses existing transit capacity. This reduces congestion on our roadways, reduces the need for roadway expansion projects, and reduces greenhouse gas emissions from transportation. Diverse TOD areas elsewhere in Maryland can attract similar development to the County and provide a visible model for our residents and businesses to invest in TOD here in Montgomery County. Finally, residential TOD increases housing availability broadly in the region, which can increase affordability by providing more supply and, in the case of TOD, reducing transportation costs by allowing families to live car-free or car-lite lifestyles.

We respectfully request that the House Economic Matters Committee vote favorably on House Bill 894 with amendments that address the issues discussed in M-NCPPC's position statement, which strengthen the TOD incentives created in the bill.

NFG/KB

Attachment

cc: Members of the Houe Economic Matters Committee



THE MARYLAND-NATIONAL CAPITAL  
Park and Planning Commission

## POSITION STATEMENT

**Bill:** SB 389/ HB 894 – Land Use - Transit-Oriented Development - Alterations (Maryland Transit and Housing Opportunity Act)

**Position:** Support with Amendments

**Date:** February 17, 2026

**Contact:** Debra Borden, General Counsel

Jordan Baucum Colbert, Senior Government Affairs Analyst

Dear Chair Brian Feldman,

The Maryland-National Capital Park and Planning Commission (M-NCPPC or “the Commission”) has not voted on this bill. However, staff have prepared some suggested recommendations for this bill. M-NCPPC offers conditional support for SB 389.

**What the Bill Does.** This bill provides automatic designation of certain transit-oriented developments as enterprise zones. It requires the Maryland Development Corporation to prioritize certain redevelopment projects when making loans under the Strategic Infrastructure Revolving Loan Program; alters the authority of local legislative bodies to regulate land use planning on land located near certain transit stations; and delays the collection of certain development excise taxes and development impact fees for certain residential real estate projects.

This bill would significantly expand the State’s role in transit-oriented development (TOD), automatically grant certain TOD areas enterprise zone status, shift some local land use authority, and delay certain development fees.

1. Definitions of terms are needed to make interpretation and application of the bill easier. Most importantly, “rail transit station” needs to be clearly defined.

- **Comment:** The bill refers to “a rail transit station” throughout and uses a measure of “hourly service on average from 8:00 a.m. until 6:00 pm Monday through Friday.” The Maryland Department of Transportation Maryland Transit Administration (MTA) is currently studying at least two corridors, the Southern Maryland Rapid Transit Corridor in Charles and Prince George’s Counties and the Red Line in the City of Baltimore, where bus rapid transit is, which often provides service similar to light rail but with buses.
  - **Comment:** The standard based on an “average” hourly service would require calculation of the current timetables for each applicable rail transit station with each new application. This is not practical.
  - **Comment:** Consider the phrase “high-capacity transit” or “transit that partially or completely operates in a fixed-guideway” to encompass these potential BRT systems as well as the state’s existing BRT system: the Flash in Montgomery County.
  - **Comment:** The method of measurement should be defined. Planners and designers need to know exactly where to start the measurement. Do we start at the corner of a rail transit station? At the entrance(s)? Centerpoint?
  - **Comment:** For Prince George’s County, neither Muirkirk MARC nor Lanham-Seabrook MARC have an average of hourly service 8-6 M-F, so neither location qualifies. These stations should be included in the eligibility, otherwise the bill creates inconsistencies and inequities within the County.
2. This bill carries forward a list of projects that the Maryland Economic Development Corporation should prioritize when issuing loans from the Strategic Infrastructure Revolving Loan Program. Section 10-134(d)(5)(i) through existing (iv) defines types of projects that should be prioritized and proposes a new (ii) that adds “redevelop state-owned land contiguous to rail transit stations.” This addition may be limiting and unnecessary:
- (5)(i) prioritizes “activate underutilized property owned by the government and institutions.” State property abutting rail stations is almost always underutilized.
  - Proposed (5)(b) limits prioritization to state-owned land when counties, municipalities, and institutions may also own land contiguous to rail transit stations where such loans would be advantageous to the goals of this legislation.
  - Limiting prioritization to property contiguous to rail transit stations could limit availability of loans to otherwise qualified projects on state-owned property very near, but not contiguous to, a rail transit station. For example, a broader definition could encompass areas of the University of Maryland, College Park campus that are very close, but may not abut, MARC, Metrorail, or Purple Line stations.

3. The definition of “mixed-use” in Section 7-501(a) would appear to preclude an office use combined with recreational, dining, or retail use. Many mixed-use buildings in the state are exactly this mix of non-residential uses.
4. The text “an area that was zoned for single-family residential use” is vague and subject to different interpretations. Single-family zones? Any zone that allows a single-family detached dwelling or other single-family form like a townhouse? The bill is not clear.

**Prince George’s County Comment**

- **Page 8, line 3:** Define or clarify “partially located outside.” How would this be applied and quantified? Most of the properties “designated for residential use” are arguably “partially located outside” the ½ mile radius.

Therefore, we urge this committee to vote favorably will amendments on this bill