



BRANDON M. SCOTT
MAYOR

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HB1580

March 5, 2026

TO: Members of the House Ways and Means Committee

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

RE: House Bill 1580 - Economic Development - Maryland Enhanced Tax Increment Financing (TIF) Districts

POSITION: SUPPORT

Chair Wilkins, Vice Chair Feldmark and members of the committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 1580.

HB1580 would authorize the Maryland Economic Development Corporation (MEDCO) to issue bonds for the development of a Maryland enhanced TIF district subject to the approval of the Board of Public Works; and authorize the State to pledge certain revenues for Maryland enhanced TIF districts, subject to a recommendation by the Corporation.

HB 1580 would define a Maryland Enhanced TIF District as a qualifying district that must involve a project that either includes a convention center or is located within one-half mile of a transit station, must exceed \$500 million in total project costs, and must have local TIF approval already in place. The projects that would qualify for this TIF are projects that have the potential to be transformative to revitalize our city's center but without state buy in, are difficult to scale utilizing local funding alone.

The downtrend in space utilization in the City's downtown area is not unique to Baltimore and is replicated across the state and across the country – we have not recovered from trends established during the pandemic and must work collectively to address the issue. In Baltimore's central business district, we have vacancy rates exceeding 24 percent and assessed property values for some key buildings have declined by up to 45 percent. We recently released the Downtown RISE master plan, have ongoing efforts to revitalize the Inner Harbor, are converting obsolete office buildings to residential use, and are strengthening neighborhoods around transit stations— this legislation will complement and bolster those efforts. Additionally, as Maryland's largest city, Baltimore's economic health is inextricably linked to state revenue, statewide employment, and the vitality of the broader regional economy.

For reasons stated above, the Baltimore City Administration requests a **favorable** report on HB1580.