



Senate Bill 3

Maryland Smart Growth Investment Fund

MACo Position: **SUPPORT**

To: Finance Committee

Date: February 5, 2019

From: Leslie Knapp, Jr.

The Maryland Association of Counties (MACo) **SUPPORTS** SB 3. The bill would create a fund to spur private investment in Smart Growth projects in appropriate areas.

The bill requires the Department of Commerce to establish a Smart Growth Investment Fund based on the recommendations of the December 2013 Report of the Maryland Smart Growth Investment Fund Workgroup. The Report recommended the creation of a public-private investment fund to support Smart Growth projects in desirable areas, such as Sustainable Communities or areas designated for transit-oriented development.

The bill calls for a one-time State investment of \$7 million and a private investment of at least \$18 million. The Fund will not be created if the total committed capital is less than \$25 million. Additionally, the Fund would be compatible with opportunity zones established under the federal Tax Cuts and Jobs Act of 2017.

MACo supports the creation of the Fund as another “tool in the toolbox” to encourage private investment in areas targeted for redevelopment, infill, and revitalization. The Fund could provide an innovative development tool that complements the State’s existing array of grant, loan, and tax credit programs.

SB 3 would establish a new public-private tool for Smart Growth development in targeted areas and provide an additional option for the State and county governments to meet Smart Growth goals. Accordingly, MACo recommends the Committee issue a **FAVORABLE** report on SB 3.