



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
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Annapolis, Maryland 21401*

SB 699

February 23, 2021

TO: Members of the Education, Health and Environmental Affairs Committee
and the Budget & Tax Committee

FROM: Natasha Mehu, Director of Government Relations

RE: Senate Bill 699 - Baltimore Regional Neighborhood Initiative Program Fund

POSITION: SUPPORT

Chairs Pinsky and Guzzone, Vice Chairs Kagan and Rosapepe, and Members of the Committees, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 699.

SB 699 requires that the Governor appropriate \$12 million in Fiscal Years 2022-2026 to support the Baltimore Regional Neighborhood (BRNI) program. The proposed Fiscal Year 2022 budget currently allocated \$12 million, which includes \$750,000 to support grantees' operating costs associated with a specific capital project.

The BRNI program was established in 2013 to spur reinvestment in older communities that had an established and successful revitalization strategy. The initial BRNI designated communities consisted of; Central Baltimore Partnership, Southeast, Healthy Neighborhoods, and the Dundalk Renaissance Corporation and an appropriation of \$3 million, which included \$750,000 in critically needed operating support. Over the course of its eight (8) years of implementation, the BRNI program now invests \$12 million, still including \$750,000 in operating support in 19 designated communities.

BRNI funds are critical to supporting Mayor Scott's equity agenda and the City's Community Development Framework. State investment signals confidence in projects and communities that may otherwise be overlooked and spurs additional public and private investment including New Market and Historic Tax Credits along with private debt and equity. BRNI funds are flexible, and may be used for grants, loans, and other investment vehicles while allowing consideration of credit enhancement, a flexibility that is unique and allows the funds to be structured to the highest and best use for the project.

A number of projects relied on State Funds to leverage additional resources including; the Parkway Theater in Station North (Central Baltimore Partnership), Paul's Place Commercial Kitchen in Washington Village (Southwest Partnership), Bakers View Homeownership in Druid Heights, (Druid Heights CDC), Liberty Heights Gateway Neighborhoods (Healthy Neighborhoods), Tench Tilghman Elementary/Middle Playground in CARE (Southeast CDC), Library Square in McElderry Park (Southeast CDC), and three transformative initiatives in Broadway East

These funds support Baltimore City's Vacants to Value initiative by reducing the City's vacant property inventory, redeveloping vacant buildings, creating new retail opportunities, improving open space and creating livable and sustainable neighborhoods.

BRNI's \$12 million annual appropriation, supports residential, community, and business endeavors by fostering a comprehensive and integrated community development strategy. The program's focus on community-based revitalization strategies and a robust community participation process allows for cross-jurisdictional development within the region.

Because of BRNI, the City's disinvested neighborhoods and corridors are slowly becoming communities of choice, building value and hope for their legacy residents, creating new businesses and local jobs, and attracting new residents who are eager to live in formerly vacant and dilapidated homes. They are all still fragile, and without the ongoing predictable funding that BRNI provides we will lose the gains that have been made. We urge your continuing support for the region's neighborhoods and to continue building an equitable community development platform.

In closing, based on the BRNI programs strong track record, the BCA believes it is tested and worthy of an extension by the General Assembly.

We respectfully request a **favorable** report on Senate Bill 699.