



**Testimony SB 393**  
**Senate Education, Environment, and Health Committees**  
**February 21, 2022**  
**Position: FAVORABLE**

Dear Chairman Pinsky & Members of the Education, and Health 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. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

SB 393 establishes Project Restore Program within the Department of Housing and Community Development to provide financial incentives for small businesses and commercial developers to revitalize certain vacant retail and commercial space; authorizing the award of certain grants to certain businesses and developers under certain circumstances; establishing the Project Restore Fund as a special, non-lapsing fund in the Department; requiring interest earnings of the Fund to be credited to the Fund; etc.

Community commercial corridors are a communities' economic veins. Funding for programs to improve the property conditions of stores, clean and green the corridors, organize shop owners, and market corridors with a mix of local and federal funds is critical to recovery from the Covid-19 pandemic and economic growth.

Last year Project Restore granted 144 businesses in 23 jurisdictions \$3.6 million in rental subsidies and \$7.2 million in business operations grants. This included \$25 million in FY22 to encourage businesses to occupy formerly vacant (retail, manufacturing and commercial) spaces. There was significant demand for this capital. DHCD received more than 800 applications requesting more than \$60 million.

Project Restore investments leverage millions in private and local investments. The program supported a great variety of businesses in 2021 including: Passionate Paws & Claws in Anne Arundel County, Sandstone Primary Care in Allegany County, River & Trail Outfitters in Talbot County, AgapeCoders in Kent County and so much more. Thirty Baltimore City businesses were able to benefit from the program. These small employers are critical to advancing equitable development and local hiring throughout the state of Maryland.

We ask your favorable report for SB 393.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network