Sustainable Communities
Partnering to Revitalize Maryland Communities

The Sustainable Communities program is designed to encourage interagency and cross-governmental collaboration by providing designated Sustainable Communities with the opportunity to access an interagency revitalization toolbox of financing programs and tax credit incentives. The Maryland Department of Housing and Community Development and its partners support the development and prosperity of Sustainable Communities by providing the following benefits for Sustainable Communities:

Financing Programs (Dept. of Housing and Community Development)

Community Legacy Program: Provides local governments and community development organizations in Sustainable Communities with funding for essential projects aimed at strengthening communities through activities such as business retention and attraction, encouraging homeownership, and commercial revitalization. Some examples of eligible projects include mixed-use development consisting of residential, commercial and/or open space; streetscape improvements; and façade improvement programs.

The Wharf in Leonardtown

Berlin Main Street

Strategic Demolition Fund: Provides grants and loans to local governments and community development organizations in Sustainable Communities for predevelopment activities including demolition and land assembly for housing and revitalization projects. The Fund catalyzes public and private investment in the reuse of vacant and underutilized sites. Awards will focus on those smart growth projects that will have a high economic and revitalization impact in their existing communities.

Neighborhood BusinessWorks Program: Loan program providing gap financing, i.e. subordinate financing, to new or expanding small businesses and nonprofit organizations located in Priority Funding Areas. Projects must include first floor business or retail space that generates street-level activity in mixed use projects and improve either a vacant or under-utilized building or site.

Brentwood Park

Maryland Mortgage Program - You've Earned It! Initiative: For a limited time, the Maryland Mortgage Program is offering a 0.25% discount on the standard Maryland Mortgage Program mortgage rate and $5,000 in Down Payment Assistance to qualified home buyers that have at least $25,000 of student debt, and who are purchasing a home in one of Maryland's Sustainable Communities

Operating Assistance Grants: Provides funding for Main Street Improvement Program, Nonprofit Assistance Fund and Technical Assistance Grants to support costs such as, but not limited to, staff and a portion of general operating expenses; consulting expertise/technical assistance or training; and consultants or services directly associated with community development projects in Sustainable Communities. Current focus is on Main Street activities.

The Lustine Center Adaptive Reuse Project in Hyattsville

Carroll Creek Park in Frederick

National Capital Strategic Economic Development Fund: The National Capital Strategic Economic Development fund seeks to improve the economic viability of "grey field development," which often faces more barriers than sprawling "green field development." The National Capital Strategic Economic Development Fund is one of three specific initiatives of the Strategic Demolition Fund. Funds from the NCAP-EDF program should primarily support commercial and residential development projects. At least 85% of funds will be dedicated to Sustainable Communities between the District of Columbia and Interstate 495.

SEED Community Development Anchor Institution Program: The Seed Community Development Anchor Institution Fund provides competitive grants and loans to anchor institutions for community development projects in blighted areas of the state. Blighted areas are areas in which the majority of buildings have declined in productivity by reason of obsolescence, depreciation, or other causes to an extent that they no longer justify fundamental repairs and adequate maintenance. Eligible applicants are anchor institutions, defined as an institution of higher education **or** a hospital.

Annapolis Main Street

The Greenbelt Theater

Miller's Court mixed-use rehabilitation in Baltimore

Snow Hill Historic District

Hagerstown Bicycle Parking

Public Art in Cambridge

The Armory in Bel Air

Financing Programs (Dept. of Transportation)

Maryland Bikeways Program: Maryland Department of Transportation (MDOT) program supporting projects that maximize bicycle access and fill missing links in the State's bike system. Additional points awarded to projects located in or connecting to a Sustainable Community. Sustainable Communities also are considered a "priority investment area" under the Bikeways Program and projects may be eligible for reduced matching requirements.

Community Safety and Enhancement Program: A State Highway Administration program that provides funding for transportation improvements along State highways that support planned or on-going revitalization efforts. Improvements typically include pedestrian and vehicular safety, intersection capacity/operations, sidewalks, roadway reconstruction or resurfacing, drainage repair/upgrade and landscaping. Projects must be in a Priority Funding Area and projects in Sustainable Community areas are given preference.

Sidewalk Retrofit Program: This program helps finance the construction and replacement of sidewalks along State highways by covering 50 percent of the cost for approved projects. The program covers 100 percent of the cost for projects located in Sustainable Communities.

Financing Programs (Dept. of Environment)

Water Quality Revolving Loan Fund: Administered by the Maryland Department of the Environment Water Quality Financing Administration, the fund provides below-market interest rate loans and additional subsidies—such as loan-forgiveness and grants—to finance: construction of publicly-owned wastewater treatment works, implementation of non-point source/estuary capital improvements, and/or implementation of U.S. EPA defined "green" projects. Projects are ranked and can receive up to 100 points. Seven points are awarded to projects in Sustainable Communities.

Tax Credit Programs and Incentives

Low Income Housing Tax Credit: Administered by the Dept. of Housing and Community Development and supports the development of multi-family affordable housing. Eight points are awarded to applications with projects located in a state-designated Transit Oriented Development area. For areas that are not state-designated Transit Oriented Development areas, but are Sustainable Communities, applications will be awarded four additional points.

Maryland Economic Development Corporation/Dept. of Planning - Enhanced Local Tax Increment Financing Authority: Enables designated Sustainable Communities to issue bonds to finance public improvements, and expands the permitted use of tax increment financing beyond traditional public infrastructure. The set of eligible uses of tax increment financing is broadened in Sustainable Communities to include historic preservation or rehabilitation; environmental remediation; demolition and site preparation; parking lots, facilities or structures of any type, public or private; highways; schools; and affordable or mixed-income housing. Local governments with Sustainable Communities may also pledge alternative local tax revenues generated within or attributed to the tax increment financing district to its associated special fund.

Job Creation Tax Credit: Administered by the Department of Commerce. Employers are eligible for enhanced incentives for new jobs created in Sustainable Communities. The maximum tax credit rises from $1,000 to $1,500 per employee. The threshold to qualify drops from 60 to 25 jobs created.

Other Incentives

Sustainable Maryland Certified: A program administered by the University of Maryland Environmental Finance Center that supports sustainability efforts in Maryland municipalities. With the Sustainable Community designation, a municipality can receive 20 points towards the 150 points needed for certification.