

Q4 BOARD OF PUBLIC WORKS QUARTER 4 | 2024 SUMMARY



Brooke E. Lierman
Comptroller of
Maryland

BY THE NUMBERS

The BPW met five times during Q4 2024 and took the following actions:

481

total items approved

150

new contracts



\$2.1 billion

state expenditures

**\$6.6
billion**

total state expenditures

331

modifications, renewals,
grants, settlements



\$4.5 billion

state expenditures

46

new prime
contracts to certified
small businesses

\$149.8 million

The **Small Business Reserve Program** sets a 20% annual goal for all state procurement expenditures with certified small businesses.

34

new prime
contracts to MBEs

\$146.7 million

65

new contracts
with MBE goals

19.95%

average MBE subcontracting
goal for new contracts

The **Minority Business Enterprise (MBE) Program** sets a 29% annual goal for state procurement expenditures with certified MBEs as prime or subcontractors.

The BPW consists of Governor Wes Moore, Treasurer Dereck Davis and Comptroller Brooke Lierman. The Board meets every two weeks and is responsible for approving most contracts over \$200,000, overseeing the issuance of bonds, acquiring and transferring state property, approving wetlands licenses and place-based investing programs (see below).

PLACE-BASED INVESTMENT PROGRAMS

The Capital Grants Program

provides funding to local governments and nonprofits for projects such as community centers, health facilities, museums, and affordable housing.

In Q4 2024, the BPW approved \$86.3 million for 51 projects.

Community Parks and Playgrounds

provides funding to Maryland's cities and towns to rehabilitate and build parks and playgrounds.

In Q4 2024, the BPW approved \$280,722 for 1 project.

Program Open Space

preserves natural areas for public use and to protect watersheds and wildlife through land acquisition and conservation easements.

In Q4 2024, the BPW approved \$16.8 million for 39 projects.

Local Parks and Playgrounds Infrastructure Program

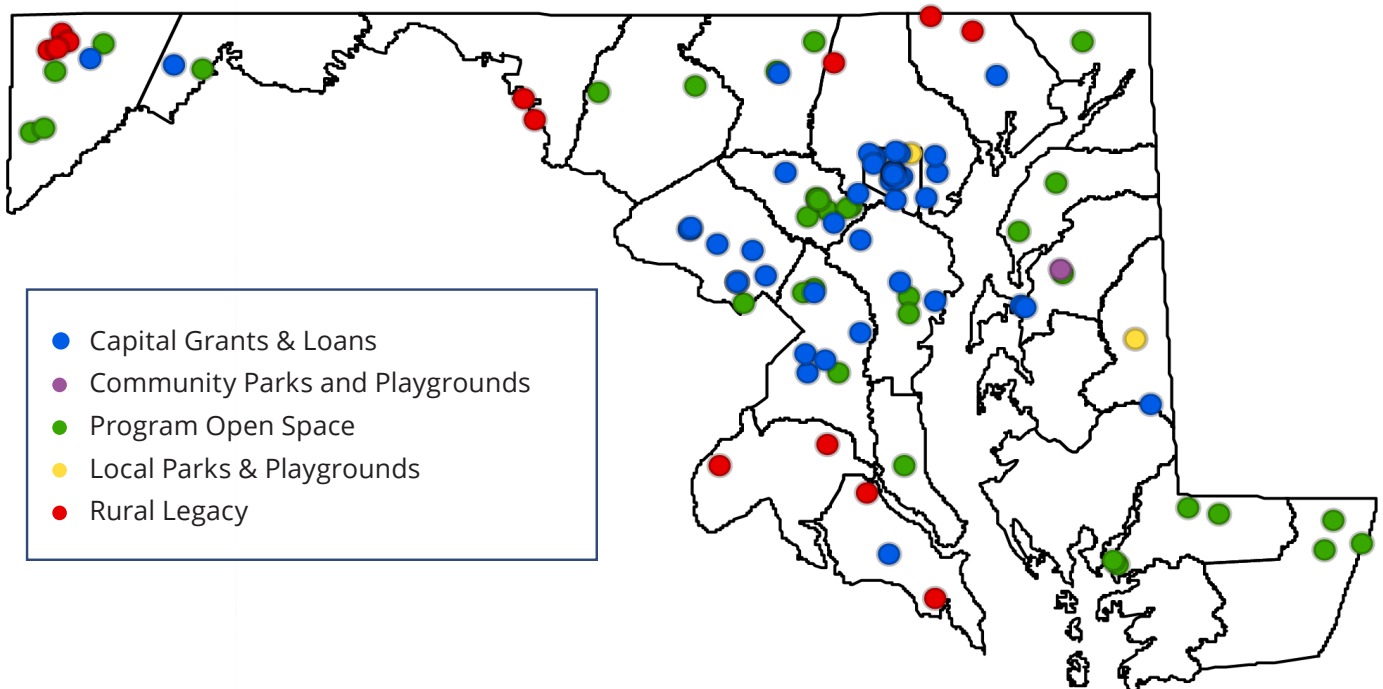
restores and creates parks and green space systems.

In Q4 2024, the BPW approved \$233,684 for 2 projects.

Rural Legacy Program

preserves large, contiguous tracts of land to enhance natural resources, agricultural, forestry and environmental protection.

In Q4 2024, the BPW approved \$4.5 million for 13 projects.



BPW AT WORK

Disadvantaged Business Enterprise Program

[The Disadvantaged Business Enterprise \(DBE\)](#) program is a federal contracting program that is often confused with the state Minority Business Enterprise (MBE) program. The two programs are different, but complementary. **The DBE program was established under Title VI of the Civil Rights Act of 1964 to remedy discrimination in federally funded transportation projects.** Eligible entities are small business that are at least 51% owned and operated by a member of a disadvantaged group, including women and people of color. The DBE program has been reauthorized by Congress several times over the years, most recently in 2021.

Any state and local government receiving federal funding from the U.S. Department of Transportation (DOT) is required to follow DBE participation goals, certification standards, and monitoring compliance.

DOT has a nationwide aspirational goal of 10% spending with DBE firms on eligible

contracts, though Maryland has an aspirational goal of 26% DBE spending of federal DOT funds. **In Q4 2024, the BPW approved several contracts with DBE goals,** including a \$100 million contract awarded by the Maryland Transit Administration for engineering consultant services for major transit projects including the Baltimore Red Line and the Southern Maryland Rapid Transit Project. The contract has a 25% DBE goal and 80% of contract funding is federal.

[Maryland's MBE program](#) mirrors the federal DBE program at the state level and is used when federal funds are not being used, including on non-transportation contracts. The Maryland Department of Transportation is the state's official certification agency where applicants submit the Uniform Certification Application which are evaluated for eligibility in both the MBE and DBE programs simultaneously.

POLICY CORNER

Affordable Housing

In the Comptroller's [State of the Economy report](#) released in 2024, Maryland's high cost of housing was identified as a key challenge holding back population and economic growth in the state. The BPW plays a central role in addressing this challenge by approving the development of affordable housing across the state. There are various affordable housing programs operated by the Department of Housing and Community Development (DHCD) that require BPW action, including:

1. [Rental Housing Works](#) provides gap financing for projects leveraging DHCD's Multifamily Bond Program and the Federal 4% Low Income Housing Tax Credits to create or preserve affordable rental housing.
2. [Partnership Rental Housing Works Program](#) provides loans for the construction, acquisition, or rehabilitation of rental housing that will be occupied by low-income households. The program funds partnerships between state and local governments

POLICY CORNER Affordable Housing continued

expanding the supply of affordable housing, or by non-governmental entities developing housing units for persons with disabilities or special needs.

3. [Baltimore Regional Neighborhood Initiative](#) (BRNI) funds projects that generally strengthen “[Sustainable Community Areas](#)” in Baltimore City, Baltimore County, and Anne Arundel County, such as: down payment assistance to attract homebuyers to purchase and rehabilitate homes; programs to acquire or rehabilitate vacant or blighted properties; and development of mixed-use projects that combine housing, retail and office space.
4. [National Capital Strategic Economic Development Fund](#) (NED) provides competitive funds to local governments and community development organizations in Prince George’s and Montgomery Counties undertaking commercial and residential development projects in targeted areas where there is significant potential for neighborhood revitalization impact.
5. [Seed Community Development Anchor Institution Fund](#) (SEED) provides competitive grants and loans to anchor institutions (higher education or hospitals) for residential or commercial development projects in “Sustainable Communities” and/or blighted areas of the state, such as rehabilitating homes and vacant buildings to habitable use.
6. [Capital Grants and Loans](#) (CGL) are used for a variety of community projects including housing. Nonprofits sometimes seek assistance for upgrades to existing facilities or for the acquisition and renovation of new spaces.

In Q4 2024, through the above programs, the BPW supported several affordable housing projects, including:

- A \$3 million loan through the **Rental Housing Works Program** to Great Baker Preservation, LP for the acquisition and renovation of an 80-unit apartment community in St. Mary’s County. The project will offer a mix of affordable one-, two-, and three-bedroom apartments for households earning between 30 to 60% of the Area Median Income (AMI). The total estimated project cost is \$14.7 million.
- A \$250,000 grant through the **BRNI** program to Park Heights Renaissance, Inc. to provide pre-development funding for phase II of the Gillis Memorial Grand Family Apartments, an affordable multifamily housing structure to serve grandparents raising their grandchildren.
- A \$500,000 grant through the **NED** program to Housing Opportunities Commission of Montgomery County for the construction of Hillandale Gateway, a new mixed-use, mixed-income, transit-oriented, intergenerational community.

The Comptroller will continue to work with partners across the state to support the expansion of affordable housing through the BPW, as well her role as board chair of the new Maryland Community Investment Corporation and through future Comptroller reports on housing affordability and availability in Maryland.