



Wes Moore, Governor  
Aruna Miller, Lt. Governor  
Samantha J. Biddle, Acting Secretary

October 6, 2025

## Notice of Funding Opportunity (NOFO)

### FY26 Transit-Oriented Development (TOD) Capital Grant and Revolving Loan Fund

---

The Maryland Department of Transportation is pleased to announce a FY26 round of funding of the TOD Capital Grant and Revolving Loan Fund (“the Fund”), a Statewide competitive grant program to assist in the advancement of Transit-Oriented Development (TOD). MDOT will be accepting applications for financial assistance from the Fund from October 6, 2025 until November 7, 2025 at 5 p.m. The [application form](#) can be found on the Maryland OneStop portal.

Questions, comments and applications can be emailed to [TODprogram@mdot.maryland.gov](mailto:TODprogram@mdot.maryland.gov).

|                                                                                     |    |
|-------------------------------------------------------------------------------------|----|
| Program Summary .....                                                               | 2  |
| Program Timeline (October 6-November 7) .....                                       | 3  |
| Eligibility Criteria .....                                                          | 3  |
| Defining Transit-Oriented Development (TOD) .....                                   | 3  |
| Eligible Applicants .....                                                           | 5  |
| Eligible Proposals .....                                                            | 6  |
| 1) Design Plans (for local jurisdiction applicants) .....                           | 6  |
| 2) Public Infrastructure Improvements (for local jurisdiction applicants) .....     | 7  |
| 3) Gap Financing (for development partner applicants and local jurisdictions) ..... | 8  |
| Awards .....                                                                        | 8  |
| MDOT Loan Terms .....                                                               | 9  |
| Application Requirements .....                                                      | 9  |
| Application Evaluation .....                                                        | 11 |
| Post-Award Management .....                                                         | 13 |
| Appendix A: Definitions .....                                                       | 13 |

## Program Summary

On May 8, 2023, Governor Wes Moore signed the Equitable and Inclusive TOD Enhancement Act ([Chapter 512 of 2023](#)) sponsored by Senator Malcolm Augustine and Delegate Jazz Lewis. The law establishes the TOD Capital Grant and Revolving Loan Fund to support the implementation of equitable and inclusive transit-oriented development projects and authorizes the Maryland Department of Transportation (MDOT) to use the Fund to provide financial assistance to local jurisdictions and their development partners. There is \$3.75M available in this round of funding.

### Eligible Activities and Award Limits

| Applicant Type                                                       | Eligible Activities                                         | Funding/<br>Financing Options | Award Limits      |
|----------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------|-------------------|
| Local Jurisdictions                                                  | Design Plans                                                | Grant (with 10% match)        | Up to \$250,000   |
|                                                                      | Public Infrastructure Improvements (non-revenue generating) | Grant (10% match)             | Up to \$750,000   |
|                                                                      | Public Infrastructure Improvements (revenue generating)     | Loan                          | Up to \$1,000,000 |
| Non-Profit / Private Developers (with local government co-applicant) | Gap Financing                                               | Loan                          | Up to \$1,000,000 |

The Fund offers financial support in the form of reimbursement grants and/or loans for local jurisdictions and loans for eligible development partners. Projects that are eligible for funding must be within a [State-designated TOD area](#) and must reflect the advancement of the TOD goals established in that designation. MDOT seeks to fund projects that are feasible and show the ability to truly advance a TOD project in alignment with the goals of the local jurisdiction and MDOT.

## Program Timeline (October 6-November 7)

Exact dates will be updated on the program webpage and are subject to change.

- **Open Application Period:** October 6 until November 7, 5 p.m. EST.
  - Webinar #1: [Tuesday October 14 9-10 am](#)
  - Webinar #2: [Monday October 20 12-1 pm](#)
- **Application Review, Award Preparation:** November 2025-January 2026
- **Award Announcements:** January 2026
- **Grant and/or Loan Agreements Signed:** January-June 2026
- **Post-Award Project Management and Reimbursement:** Projects are generally expected to be completed within 2 years, but an awardee can request an extension by MDOT if necessary and justified. Awardees can submit for reimbursement quarterly or a modified schedule agreed to by MDOT as warranted. In all cases, awardees will be required to submit a quarterly spend plan which reflects spending projection through the life of the project.

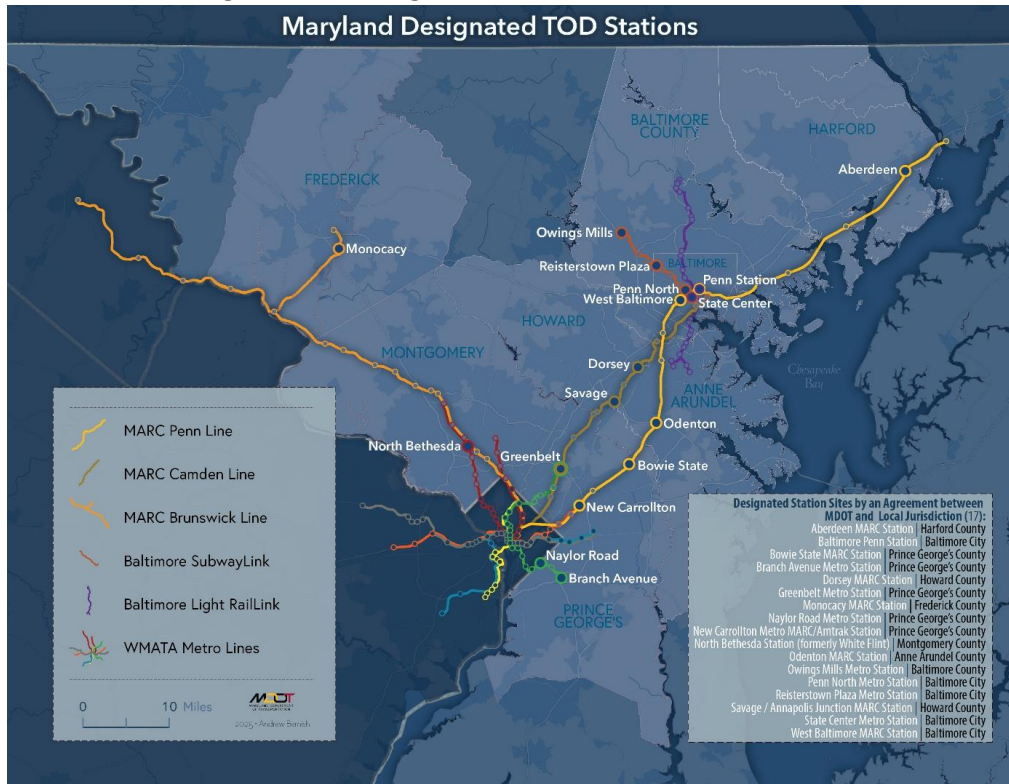
## Eligibility Criteria

### Defining Transit-Oriented Development (TOD)

The Fund defines TOD as it is written in the Transportation Article of Maryland State Law (see Appendix A). Eligible projects must directly serve a State-designated TOD. Image 1 shows a complete map of existing State-designated TODs as of September 2024. The established TOD site boundaries can be viewed using the MD Designated TODs [GIS Tool](#).

If your jurisdiction is interested in applying for State TOD Designation at a site, you can find more information and apply [here](#). Jurisdictions may apply for TOD Designation year-round. Please note that applying for TOD Designation during the Open Application Period (October 6-November 7) does not guarantee a decision before the Open Application Period closes.

Image 1: State-designated TOD Stations as of June 2025



Local jurisdictions are expected to have a TOD Designation Plan for their State-designated TOD site that addresses the following planning criteria:

- **Land Use:** Land use planning for a mix of uses targeting meaningful densities
- **Complete Streets:** Pedestrian, bicycle and personal mobility connectivity strategies for a ½ mile around the station
- **Housing:** Goals for housing production, density and affordability
- **Action Plan:** Strategies for implementation including timelines, community engagement strategies, enabling projects, rezoning, potential funding sources and commitments.
- **Parking:** Rationalized parking strategy for planned development
- **Transportation Network:** Strategy for connectivity to transit
- **Cohesion:** Consistency with local and regional land use and comprehensive plans
- **Green Infrastructure:** Strategies for incorporating green infrastructure and other environmental strategies
- **Economic Development:** Planning and development to spur economic investment and opportunity

Applicants will be asked to demonstrate how the financial assistance provided by the Fund will meaningfully advance the local jurisdiction's TOD Designation Plan.

## Eligible Applicants

Local jurisdictions in the State of Maryland may apply for funding for design plans or the construction of public infrastructure for a TOD. A private entity, including a nonprofit entity, participating in the development of a transit-oriented development may partner with a local jurisdiction to submit an application for gap financing in the form of a loan. If a local jurisdiction is applying in partnership with a business, the business will need to have a Certificate of Status from the State of Maryland<sup>1</sup>. Candidates for loans must demonstrate the ability to repay the loan by its maturity date for their application to be evaluated.

Local jurisdictions may submit applications for multiple eligible TOD Designated sites in their jurisdiction but may not submit more than one proposal per TOD Designation site.

Prior grantees with an active TOD Capital Grant agreement may not apply for additional funding for the same project until their existing grant agreement is closed out and funds expended. However, jurisdictions may submit an application for projects of a different scope at the same TOD Designated site for which previous funds may be awarded. Please defer to the program manager with questions on eligibility.

### Eligible Activities and Award Limits

| Applicant Type                                                       | Eligible Activities                                         | Funding/<br>Financing Options | Award Limits      |
|----------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------|-------------------|
| Local Jurisdictions                                                  | Design Plans                                                | Grant (with 10% match)        | Up to \$250,000   |
|                                                                      | Public Infrastructure Improvements (non-revenue generating) | Grant (10% match)             | Up to \$750,000   |
|                                                                      | Public Infrastructure Improvements (revenue generating)     | Loan                          | Up to \$1,000,000 |
| Non-Profit / Private Developers (with local government co-applicant) | Gap Financing                                               | Loan                          | Up to \$1,000,000 |

---

<sup>1</sup> [Certificate of Status](#)

## Eligible Proposals

There are three eligible categories for funding/financing. Applicants are expected to be able to initiate their proposed scope of work within 6 months of award. If you are unsure of whether your proposed project is a fit for the program, please reach out to discuss with program staff at [TODprogram@mdot.maryland.gov](mailto:TODprogram@mdot.maryland.gov).

### 1) Design Plans (for local jurisdiction applicants)

A design plan for a TOD project is a planning and/or pre-construction design task that provides a detailed design, concept or implementation framework to advance specific future physical improvements or development within the boundaries of a State-designated TOD site (e.g., parcel or transportation right-of-way). Design Plans do not include construction or installation of infrastructure. Planning tasks must be accompanied by a design deliverable for a specific component of a TOD.

A design plan should include at least one of the following components:

- **Site-specific conceptual plans, drawings, and renderings** that convey a vision, design, concept or layout for specific components of a TOD; and/or
- **Site-specific designs and engineering studies** that convey a more advanced stage (**construction drawings**) of the design process for specific components of a TOD.

“Specific components of a TOD” can include residential structures (such as affordable, workforce, and market housing), retail structures, mixed-use structures, public spaces (such as green space or pedestrian plazas), transportation facilities (such as transit entrances, parking garages or pedestrian bridges), and supportive infrastructure (such as utilities, stormwater management, and other green infrastructure) that support the TOD.

Design Plans must result in documents such as concept designs, schematic drawings, engineering studies, or other deliverables used to inform future construction. This category may include designs for both publicly- and privately-owned TOD components, as long as they are clearly defined and support TOD goals.

Some examples of permissible design plans include, but are not limited to:

- Schematic design or design development for a specific component of a TOD project (e.g. station entrance, plaza, bus facility, parking garage);
- Station access concept with design drawings for a proposed new station entrance, wayfinding and accessibility improvements;
- Streetscape improvement plan for Complete Street retrofits on station-adjacent roads;
- Station area wayfinding plan, including design concepts; or

- Parking plan with design drawings for conversion of surface lot to parking garage (design only).
- Design plans for a mixed-use building within the TOD designated area that supports TOD goals;
- TOD master plan accompanied by preliminary design documents for a specific component of a TOD project;

Ineligible uses under this category would include, but are not limited to:

- Construction activities;
- Procurement or installation of materials or infrastructure

## 2) Public Infrastructure Improvements (for local jurisdiction applicants)

This category supports construction activities only. Projects must result in a built or installed asset, not just design documentation. Local jurisdictions may apply for funding for the physical construction or installation of public infrastructure improvements. Public infrastructure includes infrastructure systems, structures, and facilities, including but not limited to transportation, public utility systems, and capital projects that help advance the goals of the TOD Designation Plan.

To qualify, infrastructure must meet at least one of the following criteria:

1. Owned, occupied, developed, or operated/maintained by the public sector; or
2. Open to the public, support a public service, or serve a public purpose.

“Open to the public” is understood in this context to mean accessible and available to all without discrimination, restriction, or impediment. Examples may include streets, sidewalks, parks, plazas, or open spaces without regard to public vs. private ownership. “Support a public service” is understood in this context to mean the project provides space for a public agency to function, operate, or provide service to the public. “Serve a public purpose” is understood in this context to mean a project or activity that confers a public benefit.

More examples of public infrastructure improvements within a TOD include, but are not limited to:

- Construction of transit station parking structures;
- Installation of station access improvements (e.g., entrances, crosswalks);
- Physical conversion of surface parking to structured parking;
- Station boarding area improvements (e.g., platforms, canopies);
- Bus loop or bus transfer facility construction;
- Installation of new sidewalks, pedestrian safety measures, traffic calming; or
- Utility relocations or upgrades supporting TOD

Ineligible uses under this category would include, but are not limited to:

- Design-only work not tied to a defined construction scope;
- Planning or feasibility studies; or
- Infrastructure for exclusively private use.

### 3) Gap Financing (for development partner applicants and local jurisdictions)

A private entity, including a nonprofit developer or organization, may submit an application for a loan with support from the local jurisdiction. While the local jurisdiction is not financially responsible or liable for the loan, they are required to demonstrate support for the application and the intended use of funds. Gap financing is intended to support projects that are catalytic, high-impact, and financially sound but infeasible without additional assistance.

To be eligible, the application must:

- Clearly demonstrate a financing shortfall that would prevent project delivery without public intervention;
- Demonstrate capacity of the applicant to deliver the project, including documentation of previously completed projects; financial capacity as attested in audited financial statements, if available; and other relevant documentation as included in the list of loan applicant requirements below;
- Align with and advance one or more goals of the jurisdiction's TOD Designation Plan;
- Provide supporting documentation such as pro formas, funding commitments, development budgets, or capital stack summaries that verify the shortfall; and/or
- Include a clear outline of the loan repayment strategy, including terms, sources, and expected timing as well as a mitigation plan to specify how the applicant will address any unforeseen delays or overruns that could impact loan repayment.

Please refer to the Awards section of the NOFO for more detail on loan terms.

## Awards

Funding amount and type for successful applications will depend on several factors, including: the category of an applicant's proposal, other funding sources secured, amount of funding sought, an application's score during the evaluation process and the applicant's debt capacity (if applicable).

- 1) Design Plans: Local jurisdictions are eligible for grants of up to \$250,000, requiring a 10% local match (10% of project cost).
- 2) Public Infrastructure Improvements:
  - a. Non-revenue generating projects: Local jurisdictions are eligible for a grant of up to \$750,000 with a 10% local match.



- b. Revenue-generating projects: Local jurisdictions are eligible for a loan of up to \$1,000,000 at MDOT's loan terms (see below).
- 3) Gap Financing: Development partners working in coordination with a local jurisdiction are eligible to apply for loans of up to \$1,000,000 at MDOT's loan terms (see below).

## MDOT Loan Terms

Applicants for a loan are eligible to receive a loan of up to \$1,000,000 at Treasury interest rate for the maturity period. For example, a loan with a 5-year maturity would carry the 5-year Treasury rate. MDOT will offer flexible loan repayment terms of 3-5 years, depending on use and loan amount.

## Application Requirements

Eligible applicants will need to submit the following:

- [Application form](#) (Maryland OneStop)
- Complete Streets: Commitment from local jurisdiction to implement, where practicable, improvements to the TOD that promote the State's [Complete Streets Policy](#). An example of a commitment could include a letter of support from a local planning body.
- Land Use: Applicant must show that the project site has the appropriate local zoning policy in place by the close of the application period to support the advancement of the TOD Designation plan.
- Letters of Support: Applicants are encouraged to include at least one letter of support from community partners. If the local jurisdiction is applying in partnership with another organization, the letters of support should reflect support for that partnership as well.

Loan applicants only:

Applicants who seek funding in the form of a loan will need to supplement the application form with additional documents to establish creditworthiness:

- Organizational chart of the applicant entity, including all beneficial owners, identification of key staff and board of directors (if a nonprofit organization).
- If Applicant is a local jurisdiction, three (3) consecutive years of consolidated financial statements (balance sheet, income statement and statement of cash flow). If the applicant is an eligible business or non-profit organization, three (3) consecutive years of audited financial statements for the Applicant's organization are to be presented. Additionally, the applicant must provide the following details (irrespective of Applicant type):
  - If three years of audited financial statements are not available, the Applicant must provide a written explanation
  - If the applicant is a private entity establishing a special purpose entity or project company, the applicant must provide financial information clarifying (1) all

shareholders in the special purpose vehicle and their financial contributions to the newly established entity (2) governance and cash management details for the newly established special purpose vehicle

- Where an applicant is a newly established entity, business, or non-profit organization, it is suggested that Applicant provide clarity on any project sponsors or guarantors that are anticipated to support the project (even if indirectly).
  - If the applicant is a private entity applying for gap financing, a letter of support from the local jurisdiction with which the private entity is partnering is required.
- 
- Organization Foundational Document(s): Articles of Incorporation, Articles of Organization, or other official documentation establishing the Applicant as an organization with legal authority to transact business or operate within the State of Maryland.
  - Organizational Structure Document(s): Bylaws, Operating Agreement, Stockholder Agreement(s), or other documents detailing the organizational structure of the Applicant organization.
  - Board of Directors Roster (eligible businesses and nonprofit organizations ONLY): A roster of all members of the current Board of Directors.
  - IRS Form W9: A complete, accurate, and signed IRS Form W9 for the Applicant organization.
  - Documentation of Other Loans and Liens: Documents detailing all existing loans for which the Borrower is in repayment and/or default, and/or loans that the Borrower anticipates executing or will execute within the next year; as well as all existing liens placed on the Borrower's assets.
  - Credit References: One or more letters of reference from lenders, banks, or financial institutions with whom the applicant has an establishing borrowing or banking relationship.
  - Source of Repayment: Brief explanation of the expected sources of revenues to repay the loan; if the applicant anticipates using project revenues (e.g., rents) to repay the loan, additional market information and/or feasibility studies may be required. This explanation will also discuss the mitigation plans for how the borrower will address any unforeseen delays or cost overruns that could impact loan repayment.
  - Collateral/Security: Description of collateral available to secure the loan (e.g. pledge of project revenues, mortgage on real property, corporate guarantee).

MDOT may require any or all of the following as a condition of the loan upon award (as determined by MDOT in its sole discretion):

- Personal guarantee(s) from individual stakeholder(s) or majority stakeholder(s);
- A copy of real property appraisal that reflects current market rate value of the property where the project will be installed;
- Legal counsel opinion letter assuring the borrower's legal capacity to enter into the loan and substantiating the legal premises stated in the financing documents;
- Other collateral that may be required depending on the credit profile of a prospective borrower.
- Pledge of project revenues;
- Letter of credit;
- Lien on real property where the project is located;
- MDOT having primacy on any liens on specific assets financed by the TOD Fund; or
- Additional collateral or security as determined by MDOT on a case-by-case basis.

## Application Evaluation

Evaluation of the applications will be conducted in two steps. The first step of the process will be to confirm that applicants and their project proposals sufficiently meet prerequisite criteria and the intent of the program. MDOT may request further information or reject any application that fails to satisfy the prerequisites before advancing in the evaluation process.

Applications for a loan will be evaluated for specific prerequisite criteria and creditworthiness before advancing in the evaluation process:

- Applicant must not be convicted of or under investigation for any criminal activity.
- Applicants must not be in material default on any outstanding debt. Applicants with prior or existing defaults must demonstrate that issues have been fully resolved or that appropriate mitigation measures are in place.
- Non-jurisdiction applicants must have a local jurisdiction included as a co-applicant.
- Applicants for gap financing that are private entities, non-profits, and/or special purpose entities must provide evidence of sufficient backing and guarantees from creditworthy project sponsors.
- Applicants seeking gap financing must provide a concise description (with financial pro formas) of the expected source of revenues to repay the loan. These revenue sources should be supported with relevant market information and cost analysis. Furthermore, this financial motivation should be supported by a risk analysis on revenues and anticipated mitigation strategies.
- For any application requesting loan financing, MDOT will conduct a creditworthiness assessment as a prerequisite to evaluation.

- MDOT will issue a determination of creditworthiness prior to proceeding to the general evaluation of the project's alignment with the TOD Fund's objectives. Applicants deemed not creditworthy will not advance to the scoring phase.

The second stage of the evaluation will include a scoring of applications against the defined Evaluation Rubric. Applications will be scored by an interagency review group led by MDOT using the evaluation criteria in Table 1.

*Table 1: TOD Fund Application Evaluation Rubric*

| <b>Project Scoring</b>                                                                                                  | <b>Max. Points Available</b>                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Project Plan and Readiness</b>                                                                                       | <b>35 Total Points</b>                                                                                                                              |
| Preliminary Work Performed                                                                                              | 10 points                                                                                                                                           |
| Timeline for Project Execution                                                                                          | 10 points                                                                                                                                           |
| Project Advancement of TOD Designation Plan                                                                             | 10 points                                                                                                                                           |
| Community Engagement Plan                                                                                               | 5 points                                                                                                                                            |
| <b>Project Plan and Readiness</b>                                                                                       | <b>20 Total Points</b>                                                                                                                              |
| Itemized project budget                                                                                                 | 5 points                                                                                                                                            |
| Timeline of milestones for project funding                                                                              | 5 points                                                                                                                                            |
| Other funding sources sought or secured                                                                                 | 10 points                                                                                                                                           |
| <b>Equity &amp; Inclusion- Statement &amp; Goals</b>                                                                    | <b>45 Total Points</b>                                                                                                                              |
| Project Alignment with TOD Fund Equity Goals                                                                            |                                                                                                                                                     |
| Goal 1: Enhance Access to Transit for Low-Income and Minority Residents of the Local Jurisdiction                       | *25, 10 or 5 points – applicants will be asked to rank the relevance of the three goals to their project and receive a weighted scores accordingly. |
| Goal 2: Enhance Access to Transit in Areas with Affordable Housing and a Diversity of Job and Educational Opportunities | *                                                                                                                                                   |
| Goal 3: Encourage Development Around Underdeveloped and Underutilized Transit Stations in Transit-Oriented Developments | *                                                                                                                                                   |
| <b>Total Score</b>                                                                                                      | <b>100 Points</b>                                                                                                                                   |

## Post-Award Management

MDOT will notify all applicants via email once award decisions have been finalized.

### **Grant Agreements:**

Awarded applicants will be asked to confirm their scope of work and provide a Project Work Plan ("Work Plan") that will serve as the basis for the grant agreement. Awardees will need to submit their Work Plan before MDOT drafts the award agreement. Awardees may begin the procurement process upon acceptance of the submitted work plan, but reimbursable costs cannot begin until the award agreement is finalized.

MDOT and the project sponsor commit to the terms of the award when a grant or loan agreement is executed, typically within 2-3 months of the award date. In the event that an award agreement cannot be executed within 9 months of award, MDOT reserves the right to terminate an award.

After an award agreement is finalized, grantees must submit a Spend plan reflecting their intended draw down of funds from MDOT based on submission of invoices on a quarterly basis. Projects are generally expected to be completed within 2 years, but MDOT may grant an extension if necessary and justified. Awardees with design deliverables must submit copies to MDOT and MDOT retains the right to use funded deliverables.

### **Reporting Requirements:**

Awardees are required to submit quarterly status reports for the life of the grant award. (This requirement is stated and agreed to in the Grant or Loan Agreement). The quarterly report is based upon the same document as the initial work plan, updated by the awardee with progress notes during the funding term.

Awards from the Fund are not subject to any State procurement requirements. Local jurisdictions should follow any local procurement guidelines when using awarded funding.

### **Loans:**

Guidance on the timeline and management of loan awards will be issued by MDOT on an individual basis.

## Appendix A: Definitions

**Transit-Oriented Development (TOD)** means a mix of private or public parking facilities, commercial and residential structures, and uses, improvements, and facilities customarily appurtenant to such facilities and uses, that:

- 1) Is part of a deliberate development plan or strategy involving:
  - i. Property that is adjacent to the passenger boarding and alighting location of a planned or existing transit station;
  - ii. Property, any part of which is located within one-half mile of the passenger boarding and alighting location of a planned or existing transit station; or
  - iii. Property that is adjacent to a planned or existing transit corridor.
- 2) Is planned to maximize the use of transit, walking, and bicycling by residents and employees; and
- 3) Is designated as a transit-oriented development by:
  - i. The Sustainable Growth Subcabinet
  - ii. The local government or multicounty agency with land use and planning responsibility for the relevant area applying for designation