

Elon Musk's companies, once welcomed in Baltimore with open arms, are now getting stiff-armed—or sued



By

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Even a free infrastructure project wasn't enough to convince Maryland officials to work with Elon Musk.

On Tuesday, Elon Musk's tunnelling business, the Boring Company, started discussions with city officials about building a free tunnel around the Baltimore Ravens' football stadium. While the free project seemed like a coup for the Ravens, who had pitched it to the Boring Co., the idea was short-lived. Within nine hours of the announcement, Baltimore's mayor and city council had filed a lawsuit against xAI, an AI company also owned by Musk, alleging that its chatbot "flooded" users' feeds with nonconsensual intimate imagery and child sexual abuse material.

On Wednesday, the Ravens said that, after conversations with "public partners," they would walk away from the tunnel proposal. Mayor Scott, a Democrat, **said publicly** that it was "not something that I would have approved."

Together, the two moves mark a notable shift in a state that courted Elon Musk's business with open arms only a decade ago and illustrates the challenges now facing Musk's collection of companies as the famously impulsive and truculent multibillionaire has turned himself into a political lightning rod.

In statements emailed to *Fortune*, Baltimore's City Solicitor Ebony Thompson said the City had sued xAI "to protect residents from deceptive and harmful practices involving generative AI tools," and the Mayor's Office said it supported the Ravens' "decision to withdraw their application." The Mayor's press secretary declined to comment further. The Raven Loop tunnel was one of more than 480 pitches Boring Company received to build a one-mile long loop tunnel that is 12 feet in diameter. No other details about the Ravens' specific pitch have been made available. The M&T Bank Stadium, where the Baltimore Ravens play, currently seats about 70,000 people at capacity and spans approximately 1.6 million square feet. Fans typically drive and park around the

stadium, use the city light rail system—which has a Stadium stop, take the nearby subway and walk for about 20 minutes, or, especially for bigger games, use added transit and shuttle systems.

The proposed tunnel does not seem to have received much public attention among Ravens fans or city residents before it was scrapped, with scant debate supporting or opposing the project in the local news.

Maryland and Baltimore have historically welcomed Musk's companies through incentives and partnerships. Former Maryland Governor Larry Hogan, a Republican, was one of the first politicians to publicly get behind a major Boring Company project in 2017, when Boring Company announced it planned to build a high-speed tunnel for autonomous vehicles between Baltimore and Washington, D.C. The Maryland Department of Transportation sponsored the project, and Baltimore's then-Mayor, a Democrat, **had said** the project would have "tremendous potential."

That posture has shifted since Musk donated \$300 million to President Trump's campaign and took a hands-on role in government through DOGE. Governor Wes Moore, a Democrat, was an early critic of Musk's work at DOGE, **characterizing** the firing of thousands of federal workers in 2025 as "arbitrary" and "draconian" during a working session in March 2025 and saying it was cruel. Boring Company president Steve Davis, one of Musk's longtime trusted fixers, **helped Musk run** the government department.

In January of this year, Maryland's Democratic Attorney General, Anthony G. Brown, a Democrat, signed a **letter** with 33 other attorneys general demanding that xAI take "additional action" to prevent Grok from generating nonconsensual intimate images and child sexual abuse material.

The demands followed wide reports in late December and early January that Grok, the name of xAI's chatbot, had been generating photos of women undressed or in bikinis, violent sexual content, or explicit images involving AI-generated individuals that appeared underage.

In the City of Baltimore's lawsuit, the Mayor and City Council accuse Grok of exposing residents to the risk that any photograph they uploaded—of themselves or of their

children—could be ingested by Grok and transformed into sexually degrading deepfakes without their knowledge or consent.

The lawsuit also alleges that xAI has been responsible for “normalizing a form of image-based sexual abuse that is difficult to prevent, contain, or remedy once unleashed at scale.”

The political action echoes partisan aggression against Musk in other states. In Nevada, it’s been **exclusively Democrats** calling for accountability after **safety**

issues and **environmental episodes** during construction of Boring Company tunnels.

xAI and Boring Company did not respond to requests for comment.

Baltimore’s first tunnel project

Baltimore was supposed to be the first showpiece of what Elon Musk’s tunneling startup, Boring Company, could be capable of.

Back in 2017, the **initial designs** of the Baltimore-Maryland Loop were ambitious—a 35.3-mile twin tunnel system that would enable self-driving vehicles to travel between Baltimore and Washington, D.C. at speeds of up to 150 miles per hour, with stops along the way. Critics, including engineers, said it was unfeasible, and the project quietly died when Boring Company stopped the federal review process. Boring Company later turned its attention to Las Vegas, where it is currently digging tunnels and operating an Uber-like **Tesla** chauffeur service.

Earlier this year, as part of Boring Co’s efforts to expand to more regions, the company launched a “tunnel vision challenge” soliciting pitches for various tunnel projects—such as utility, water, or pedestrian tunnels—around the U.S. and promising it would build a tunnel to one winner for free.

The process culminated with the announcement this week that the Boring Company had selected the “Ravens Loop” project in Baltimore as one of three projects it would pursue—only for the Ravens to suddenly have a change of heart regarding Musk’s munificence.

“Following discussions with public partners, we have determined we will not continue with the process at this time,” a spokesman for the Baltimore Ravens sent *Fortune* in a statement.

Boring Company issued an “**update**” on its **X** account on Wednesday: “After initial meetings, this project unfortunately will not be moving forward as part of the competition,” the account wrote, before opining whether it should reopen the selection process to another pitch.