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The Historic Rehabilitation and Restoration Tax Credit was created in 1996 to promote the investment in Baltimore’s historic buildings. The current legislation will sunset in 2021. As a part of the renewal effort, CHAP formed the Historic Tax Credit Study Advisory Committee to evaluate the current program, to guide a study of the program by Place Economics, and to support the renewal of the legislation. The committee included frequent users of the tax credit, representatives from The Baltimore Development Workgroup, Live Baltimore, the Small Developers Collective, the Baltimore Development Corporation, Baltimore Heritage, AIA Baltimore, and staff of the Departments of Planning, Housing and Community Development, and Finance. After careful study, the committee developed the following recommendations:

- 1) Change the program goal to: “The goal of this program is to help preserve and revitalize Baltimore’s neighborhoods by encouraging the rehabilitation of historic structures to promote the equitable and inclusive economic growth and vitality of the City of Baltimore.”
- 2) Develop stronger outreach, training, and marketing for new program users, realtors, communities, and homeowners to increase access to and understanding of the program.
- 3) Study the eligibility requirements and tax credit duration to determine if changes can create a more equitable community development tool.
- 4) Reduce administrative costs to the City by increasing the application fee and by exploring alternatives to the appraisal-based calculation of the tax credit.
- 5) Examine how the credit can be more impactful in neighborhoods with detached homes.
- 6) Create ways for staff to communicate more effectively with applicants about program rules and regulations that are regularly misunderstood or overlooked.
- 7) Improve the online tax credit application and review system to make it more user-friendly.
- 8) Revise the program Rules & Regulations.
- 9) Provide more direction and information on historically appropriate materials, design, and rehabilitation techniques to make it easier for users to meet CHAP guidelines.
- 10) Promote existing and advocate for additional tools to prevent displacement and gentrification in neighborhoods where the tax credit is used.

The following recommendations fell outside the scope of enhancing the current Historic Tax Credit study; however, the committee also felt these items were critical to share:

- 1) Create a working group to help coordinate local and state tax credit reviews to make it easier for applicants to receive both credits.
- 2) Investigate the creation of a separate tax credit for homeowners with a lower “entrance cost” that could help retain existing residents.
- 3) Work with local non-profits or lending institutions to create a low-interest loan to help homeowners deal with deferred maintenance.
- 4) Look to make other tax credits more useful, specifically studying the Home Improvement, Vacant Dwelling, New Construction tax credit programs.
- 5) Explore working with like-minded organizations to fund a position to help potential homeowners and rehabbers in caring for and rehabilitating homes.
- 6) Complete the current Baltimore City Conservation District effort. Complete a position paper by the end of 2020 and draft potential city legislation by February 2021.