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**BALTIMORE CITY COUNCIL  
WAYS AND MEANS  
COMMITTEE**

*Mission Statement*

*The Committee on Ways and Means (WM)* is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

**The Honorable Eric T. Costello  
Chairman**

**PUBLIC HEARING**

**TUESDAY, MAY 03, 2022  
10:02 AM**

**COUNCIL CHAMBERS**

*Council Bill 21-0178*

**Tax Credits – Historic Properties – Definition of “Historic Property”**

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## BILL SYNOPSIS

**Committee:** Ways and Means

**Bill:** 21-0178

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### Tax Credits - Historic Properties - Definition of “Historic Property”

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**Sponsor:** Councilmember Bullock, et al

**Introduced:** November 15, 2021

**Purpose:**

**For the purpose of** expanding the definition of “historic property” in City Code Article 28, § 10-8.

**Effective:** On the 30<sup>th</sup> day after the date it is enacted.

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### Agency Reports

Law Department	Unfavorable
Department of Finance	None as of this writing
Department of Housing and Community Development	Defers to Finance
Department of Planning	Favorable/Supports CHAP Amend
Commission for Historical & Architectural Preservation	Comments/Amend
Board of Estimates	To be submitted to BOE for approval

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### Analysis

#### Current Law

Article 28 – Taxes, of the Baltimore City Code outlines the rules, mandates and regulations for Taxes.

#### Background

If Council Bill 22-0178 **is enacted as is**, would expand the definition and/or categories for what is considered a historic property; all historic properties built at least fifty (50) years ago and confirmed by the Commission for Historical and Architectural Preservation (CHAP) will be added to and qualify as a historic property.

**However**, CHAP is recommended the legislation be amended by deleting “Structures built at least 50 years ago as confirmed by CHAP and replacing it with “a property included within the boundaries of a certified heritage area.” *A copy of the proposed amendment is attached.*

The Department of Planning supports CHAP proposed amendment.

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### **Additional Information**

**Fiscal Note:** None

**Information Source(s):** City Code, Council Bill 21-0178, and all agency reports received as of this writing.

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*Marguerite M. Currin*

Analysis by: Marguerite M. Currin

Direct Inquiries to: (443) 984-3485

Analysis Date: April 28, 2022

**AMENDMENTS TO COUNCIL BILL 21-0178  
(1<sup>st</sup> Reader Copy)**

By: Commission for Historical and Architectural Preservation  
{To be offered to the Ways and Means Committee}

**Amendment No. 1**

On page 2, in line 6, strike “BUILT AT LEAST 50 YEARS AGO AS CONFIRMED BY CHAP”, and substitute “INCLUDED WITHIN THE BOUNDARIES OF A CERTIFIED HERITAGE AREA”.

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CITY OF BALTIMORE

BRANDON M. SCOTT  
Mayor



DEPARTMENT OF LAW  
JAMES L. SHEA, CITY SOLICITOR  
100 N. HOLLIDAY STREET  
SUITE 101, CITY HALL  
BALTIMORE, MD 21202

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March 28, 2022

The Honorable President and Members  
of the Baltimore City Council  
Attn: Executive Secretary  
Room 409, City Hall  
100 N. Holliday Street  
Baltimore, Maryland 21202

Re: City Council Bill 21-0178 – Tax Credits- Historic Properties – Definition  
of “Historic Property”

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 21-0178 for form and legal sufficiency. The bill would amend the definition of “Historic Property” in Section 10-8 (Historic Improvements, Restorations and rehabilitations”) in Article 28 of the City Code. The bill would expand the availability of this credit to any property over fifty years old. Currently, the credit is only available to eligible improvements to properties on the National Register of Historic Places, the City Landmark List, within the National Register Historic or Landmark District or the City Historical and Architectural Preservation District if CHAP certifies the property contributes to the historic significance of either of those districts.

This is a local real property tax credit that is authorized by Section 9-204.1 of the Tax-Property Article of the Maryland Code. That state enabling law only allows a tax credit for the “eligible improvements which are:

(i) located within the boundaries of:

1. a property listed individually on the National Register of Historic Places, or a national register historic or landmark district;
2. a property or district designated as a historic property or district under local law; or
3. a property included within the boundaries of a certified heritage area under § 13-1111 of the Financial Institutions Article; and

(ii) for a property or district under paragraph (3)(i)1 or 2 of this subsection, determined by the local historic district commission to be compatible with local historic preservation standards.

Md. Code Ann., Tax-Prop. § 9-204.1.

Therefore, the City is not allowed to grant a local real property tax credit to improvements made on just any property older than fifty years. Rather, state law only authorizes this tax credit

for the improvements to properties that meet the state criteria. For this reason, the Law Department cannot approve the bill for form and legal sufficiency.

Very truly yours,



Hilary Ruley  
Chief Solicitor

cc: James L. Shea, City Solicitor  
Nina Themelis, Mayor's Office of Government Relations  
Elena DiPietro, Chief Solicitor, General Counsel Division  
Ashlea Brown, Chief Solicitor  
Victor Tervalva, Chief Solicitor



## MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council  
c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Housing Commissioner

Date: March 4, 2022

### **Re: City Council Bill 21-0178 Tax Credits – Historic Properties – Definition of “Historic Property”**

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 21-0178 for the purpose of expanding the definition of “historic property” in City Code Article 28, § 10- 8.

If enacted, City Council Bill 21-0178 would repeal and re-ordain with amendments Article 28 - Taxes 7, Section 10-8(a) of the Baltimore City Code by expanding the definition of “Historic Property” to include a property built at least 50 years ago, as confirmed by CHAP.

The adoption of City Council Bill 21-0178 would have minimal impact on DHCD. The legislation will require additional administrative time of staff to verify compliance and communicate with Finance. We do this now for the high-performance tax credit.

DHCD supports the restoration and productive reuse of historic structures which contribute to the health and welfare of neighborhoods. The Bill may further expand the use of the Tax credit and incentivize the rehabilitation of historic structures throughout Baltimore.

DHCD **defers** to the Department of Finance on the passage of City Council Bill 21-0178.


AK/sm

cc: Ms. Themelis, Nina, *Mayor’s Office of Government Relations*

**Brandon M. Scott**, Mayor • **Alice Kennedy**, Housing Commissioner

417 East Fayette Street • Baltimore, MD 21202 • 443-984-5757 • dhcd.baltimorecity.gov



FROM	NAME & TITLE	CHRIS RYER, DIRECTOR	CITY of BALTIMORE  <b>MEMO</b>	
	AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 <sup>TH</sup> FLOOR, 417 EAST FAYETTE STREET		
	SUBJECT	CITY COUNCIL BILL #21-0178/ TAX CREDITS – HISTORIC PROPERTIES – DEFINITION OF “HISTORIC PROPERTY”		

TO

The Honorable President and  
Members of the City Council  
City Hall, Room 400  
100 North Holliday Street

DATE:

April 18, 2022



The Department of Planning is in receipt of City Council Bill #21-0178, which is for the purpose of expanding the definition of “historic property” in City Code Article 28, § 10-8.

The Department of Planning concurs with the CHAP recommendation of **amendment and approval** of City Council Bill #21-0178.

If you have any questions, please contact Mr. Eric Tiso, Division Chief, Land Use and Urban Design Division at 410-396-8358.

CR/ewt

cc: Ms. Natasha Mehu, Mayor’s Office  
Ms. Nina Themelis, Mayor’s Office  
The Honorable Eric Costello, Council Rep. to Planning Commission  
Mr. Matthew Stegman, City Council President’s Office  
Ms. Nikki Thompson, City Council President’s Office  
Mr. Colin Tarbert, BDC  
Ms. Kathleen Byrne, BMZA  
Mr. Geoffrey Veale, Zoning Administration  
Ms. Stephanie Murdock, DHCD  
Ms. Elena DiPietro, Law Dept.  
Mr. Francis Burnszynski, PABC  
Mr. Liam Davis, DOT  
Ms. Natawna Austin, Council Services

FROM	NAME & TITLE	Eric Holcomb, Executive Director CHAP 	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Commission for Historical and Architectural Preservation 417 East Fayette Street, 8 <sup>th</sup> Floor		
	SUBJECT	COUNCIL BILL 21-0178 – Tax Credits – Historic Properties – Definition of “Historic Property”		

DATE:

March 7, 2022

TO

The Honorable President and  
Members of the City Council  
City Hall, Room 400  
100 North Holliday Street

The Commission for Historical and Architectural Preservation staff is in receipt of City Council Bill 21-0178 – Tax Credits – Historic Properties – Definition of “Historic Property” for the purpose of expanding the definition of “historic property” in City code Article 28, subsection 10-8.

CHAP Executive Director recommends an **Amendment** to City Council Bill 21-0178. In Section 9-204.1 of the Tax-Property Article of the Maryland Code only allows a tax credit for the following:

1. a property listed individually on the National Register of Historic Places, or a national register historic or landmark district;
  2. a property or district designated as a historic property or district under local law; or
  3. a property included within the boundaries of a certified heritage area under § 13-1111 of the Financial Institutions Article; and
- (ii) for a property or district under paragraph (3)(i)1 or 2 of this subsection, determined by the local historic district commission to be compatible with local historic preservation standards.

This enabling legislation does not allow the local jurisdiction to define a historic property as a “structure built at least 50 years ago as confirmed by CHAP.” **Therefore**, CHAP suggests that the council deletes “Structures built at least 50 years ago as confirmed by CHAP” and replaces it with a **property included within the boundaries of a certified heritage area**.

If you have any questions, please contact Mr. Eric Holcomb, Executive Director, at 410-371-5667.

**CITY OF BALTIMORE  
COUNCIL BILL 21-0178  
(First Reader)**

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Introduced by: Councilmembers Bullock, Middleton, Burnett, Cohen, Torrence

Introduced and read first time: November 15, 2021

Assigned to: Ways and Means Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Department of Housing and Community Development, Department of Planning, Commission for Historical and Architectural Preservation, Board of Estimates

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A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Tax Credits – Historic Properties – Definition of “Historic Property”**

3 FOR the purpose of expanding the definition of “historic property” in City Code Article 28, § 10-  
4 8.

5 BY repealing and reordaining, with amendments

6 Article 28 - Taxes

7 Section 10-8(a)

8 Baltimore City Code

9 (Edition 2000)

10 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the  
11 Laws of Baltimore City read as follows:

12 **Baltimore City Code**

13 **Article 28. Taxes**

14 **Subtitle 10. Credits**

15 **§ 10-8. Historic improvements, restorations, and rehabilitations.**

16 (a) *Definitions.*

17 (4) *Historic property.*

18 “Historic property” means a property:

19 (i) individually listed on the National Register of Historic Places;

20 (ii) individually listed on the City Landmark List;

EXPLANATION: CAPITALS indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.

**Council Bill 21-0178**

- 1 (iii) located within a National Register Historic or Landmark District and certified
- 2 by CHAP as contributing to the historic significance of that district; [or]
  
- 3 (iv) located within a City Historical and Architectural Preservation District and
- 4 certified by CHAP as contributing to the historic significance of that district[.]
- 5 ; OR
  
- 6 (V) BUILT AT LEAST 50 YEARS AGO AS CONFIRMED BY CHAP.

7 **SECTION 2. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30<sup>th</sup> day

8 after the date it is enacted.