




CITY OF BALTIMORE  
MAYOR BRANDON M. SCOTT

<b>TO</b>	The Honorable President and Members of the Baltimore City Council
<b>FROM</b>	Chris Ryer, Director, Department of Planning 
<b>DATE</b>	June 24, 2024
<b>SUBJECT</b>	City Council Bill #24-0545 - Tax Credits - Historic Properties - Application Extension

**Position: Approval**

**SUMMARY OF POSITION**

This bill will amend Art. 28. *Taxes*, Subtitle 10. *Credits*, in order to extend the window of eligibility for applications for a credit through December 31, 2027. Presently, applications for these credits will expire and may not be accepted after August 28, 2024.

Baltimore City's Historic Tax Credit Program was established by ordinance in 1996. The credit has fostered the rehabilitation of historic structures, both residential and commercial, throughout Baltimore City. The Historic Tax Credit is available to contributing properties in Baltimore City and National Register Historic Districts, Baltimore City Landmarks, and buildings individually listed on the National Register of Historic Places. Last year, eligibility was expanded to include properties located within the boundaries of the Baltimore National Heritage Area. This amounts to over 100,000 properties in Baltimore City.

Over \$1.2 billion has been invested in the City's historic properties through the Historic Tax Credit since 1997. To date, more than 6,000 applications have been approved and more than 4,300 projects have been completed. The substantial investment in historic buildings supports the economy of Baltimore, ensures high-quality housing, and enhances the appearance of our neighborhoods. The 10-year credit is granted on the increased property value directly resulting from qualifying rehabilitation work. All work must be pre-approved and meet CHAP's Design Guidelines, and must be permitted and inspected by DHCD.

The City's Historic (CHAP) Tax Credit has been an important neighborhood revitalization tool and is the most impactful for rehabbing vacant buildings. As such, groups like Black Women Build, ReBuild Metro, Parity Homes, and Druid Heights CDC have used the credit to rehab vacant properties in east and west Baltimore. The high quality of rehabs that result from Historic Tax Credit projects help increase property values not just of the property that was rehabilitated,

but also increases the property values of homes located within 500 feet of the property, which is called a “halo effect.” Due to the private investment and increasing property values, the taxes foregone over ten years are recouped in just over seven years.

## **CONCLUSION**

The Department of Planning respectfully requests a favorable report for this bill.

If you have any questions, please contact Ms. Lauren Schiszik, Historic Preservation Planner Supervisor and Acting Executive Director, CHAP at [Lauren.Schiszik@baltimorecity.gov](mailto:Lauren.Schiszik@baltimorecity.gov) or at 410-396-5796.