

**CITY OF BALTIMORE  
COUNCIL BILL 06-0157R  
(Resolution)**

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Introduced by: Councilmembers Mitchell, D'Adamo, Clarke, Curran, Harris, Welch, Conaway,  
Reisinger, Branch

Introduced and read first time: March 20, 2006

Assigned to: Taxation and Finance Committee

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REFERRED TO THE FOLLOWING AGENCIES: Department of Finance

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A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **In Support of State Legislation – (House Bill 1517) – Baltimore City - Property Tax Credit**  
3 **for Qualified City Resident Homeowners - New Home Purchase**

4 FOR the purpose of expressing support for this legislation that seeks to authorize Baltimore City  
5 government to grant a Homestead Property Tax Credit to the owner of a newly purchased  
6 owner-occupied residence located in Baltimore City if the owner has previously received, in  
7 the same year, a property tax credit for his or her former owner-occupied City residence;  
8 requesting the Honorable Chair and Members of the House Ways and Means Committee to  
9 give House Bill 1517 a favorable report; asking the Honorable Chairs and Members of the  
10 Baltimore City Senate and House Delegations to the 2006 Maryland General Assembly to  
11 work to secure passage of House Bill 1517; and respectfully urging the Governor to sign the  
12 legislation into law.

13 **Recitals**

14 In February, City Council Bill 06-0138R was introduced, requesting the Baltimore City  
15 Delegation to the Maryland General Assembly to introduce State enabling legislation to allow  
16 Baltimore City to grant persons qualified to receive a Homestead Property Tax credit on one  
17 property to receive a credit on a new property purchased in the same year on another property in  
18 Baltimore City.

19 As stated in the Resolution, while the real estate market in Baltimore is not expected to  
20 repeat last year's housing sale boom, experts agree that the area's influx of people is likely to  
21 keep demand and prices up. In fact, the National Association of Realtors is predicting that the  
22 2006 housing market will be second best in history after a 5<sup>th</sup> consecutive annual record last year.  
23 Baltimore is a unique market place that attracts buyers from Washington, D.C., and government  
24 personnel are locating here.

25 Officials of the Home Builders Association of Maryland contend that prices in the Baltimore  
26 area are expected to stay strong because of job growth and lack of available land. Prices are  
27 expected to rise a more modest 4% to 5%, considerably down from the more recent 20% range.  
28 And although past growth rates are not sustainable, the imbalance in the local market of limited  
29 supply and strong demand means that homebuilders would continue to sell new homes at record  
30 rates.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter deleted by amendment.

**Council Bill 06-0157R**

1 In Baltimore’s much improved real estate market, many homeowners are moving to  
2 properties that exceed the value of their last property. In most cases, the property tax is paid as  
3 part of the mortgage note, on a monthly basis. Without the benefit of the effect of applying the  
4 Homestead Tax Credit, many young families and persons needing to relocate for other reasons  
5 would find the cost of moving prohibitive.

6 While we welcome new home owners and their families to our wonderful city, we must do  
7 everything possible to allow our native or adoptive Baltimoreans to remain here and to afford the  
8 homes of their dreams.

9 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That this  
10 Body supports this legislation that seeks to authorize Baltimore City government to grant a  
11 Homestead Property Tax Credit to the owner of a newly purchased owner-occupied residence  
12 located in Baltimore City if the owner has previously received, in the same year, a property tax  
13 credit for his or her former owner-occupied City residence; requests the Honorable Chair and  
14 Members of the House Ways and Means Committee to give House Bill 1517 a favorable report;  
15 asks the Honorable Chairs and Members of the Baltimore City Senate and House Delegations to  
16 the 2006 Maryland General Assembly to work to secure passage of House Bill 1517; and  
17 respectfully urges the Governor to sign the legislation into law.

18 **AND BE IT FURTHER RESOLVED,** That the Honorable Chair of the Ways and Means  
19 Committee is respectfully requested to include this Resolution as an official communication to  
20 the Committee, to take into consideration the position of Baltimore City Council in support of  
21 House Bill 1517 as the Committee deliberates on the legislation, and to include the Resolution in  
22 the Committee bill file.

23 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Governor, the  
24 Mayor, the Honorable Members of the Baltimore City Delegation to the 2006 Maryland General  
25 Assembly, the Honorable Chair and Members of the House Ways and Means Committee, the  
26 Executive Director of the Mayor’s Office of State Relations, and the Mayor’s Legislative Liaison  
27 to the City Council.