

STEPHANIE RAWLINGS-BLAKE
Mayor



THOMAS J. STOSUR
Director

March 19, 2014

TO: The Honorable President and
Members of the Baltimore City Council
City Hall, Room 400
100 N. Holliday Street
Baltimore, Maryland 21202

FROM: Ms. Kathleen Kotarba, Executive Director, Commission for Historical and Architectural Preservation (CHAP)

RE: Bill No.14-0312--Supplementary General Fund Operating Appropriation- M-R: Miscellaneous General Expenses - \$ 3,000,000

City Council Bill # 14-0312 has been referred to the Commission for Historical and Architectural Preservation (CHAP). Its purpose is to provide a Supplementary General Fund Operating Appropriation in the amount of \$3,000,000 to the M-R: Miscellaneous General Expenses – Service 122 (Miscellaneous General Expenses), to provide funding for a recompense program for CHAP property tax credits; and providing for a special effective date.

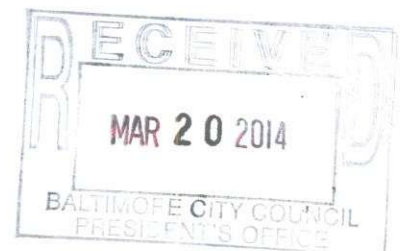
In July of 2013, the City of Baltimore took over the calculation of the “CHAP credit” from the State Department of Assessments and Taxation. The Finance Department’s audit of the program determined that there had been certain credit calculation errors, as well as properties that were receiving the credit without CHAP’s approval. Property owners had been informed by the Department of Assessments and Taxation that they were eligible for the credit when they were not. In order to correct the discrepancies and treat Baltimore City property owners fairly, the Finance Department is requesting this supplementary appropriation.

The Commission for Historical and Architectural Preservation (CHAP) has no involvement with the calculation of the amount of the credit. CHAP’s responsibility is limited to the review of tax credit rehabilitation project applications to insure that they comply with CHAP’s historic preservation guidelines, as well as other program requirements. For that reason, CHAP defers to the Department of Finance in resolving any matters related to the calculation errors, including compensating property owners where they deem it to be appropriate.

If you have any questions, please contact Ms. Kathleen Kotarba, Executive Director-CHAP/Division Chief Historical and Architectural Preservation or Ms. Stacy Montgomery, City Preservation Planner and Tax Credit Administrator, at 410-396-4866.

Thank you for your consideration.

Cc: Ms. Angela Gibson, Mayor’s Legislative Liaison to the City Council



COMMISSION FOR HISTORICAL & ARCHITECTURAL PRESERVATION

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Plan Preserve Prosper

Defers to Finance