



Legislation Details (With Text)

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|------------------------|--|----------------------|---|----------------------|-----------------------------------|
| File #: | 15-0585 | Version: | 0 | Name: | Tax Credits - Historic Properties |
| Type: | Ordinance | Status: | | Status: | Enacted |
| File created: | 11/2/2015 | In control: | | In control: | City Council |
| On agenda: | | Final action: | | Final action: | 2/26/2016 |
| Enactment date: | | Enactment #: | | Enactment #: | 16-454 |
| Title: | Tax Credits - Historic Properties FOR the purpose of extending the period within which applications may be accepted for an historic improvement tax credit; clarifying the definition of "eligible improvements"; restating the purpose and goal of this credit; modifying certain criteria for a credit limitation imposed on development projects that exceed a certain amount in construction costs; modifying certain procedures for adopting rules and regulations governing the credit; providing for a special effective date; and generally relating to the property tax credit for improvements, restorations, and rehabilitations to historic properties. | | | | |
| Sponsors: | City Council President (Administration) | | | | |
| Indexes: | Historic, Properties, Tax Credits | | | | |
| Code sections: | | | | | |
| Attachments: | 1. 15-0585~1st Reader, 2. Planning 15-0585, 3. CHAP 15-05855, 4. HCD 15-0585, 5. City Solicitor 15-0585, 6. Real Estate 15-0585, 7. Finance 15-0585, 8. 2nd Reader Amendments 15-0585, 9. 15-0585~3rd Reader | | | | |

| Date | Ver. | Action By | Action | Result |
|------------|------|--|---|--------|
| 2/29/2016 | 0 | Mayor | Signed by Mayor | |
| 2/22/2016 | 0 | City Council | Approved and Sent to the Mayor | |
| 2/8/2016 | 0 | City Council | 3rd Reader, for final passage | |
| 2/8/2016 | 0 | Taxation, Finance and Economic Development Committee | Recommended Favorably with Amendment | |
| 2/4/2016 | 0 | Taxation, Finance and Economic Development Committee | Recommended Favorably with Amendment | Pass |
| 1/26/2016 | 0 | Taxation, Finance and Economic Development Committee | Scheduled for a Public Hearing | |
| 12/10/2015 | 0 | Taxation, Finance and Economic Development Committee | Scheduled for a Public Hearing | |
| 11/5/2015 | 0 | The City Council | Refer to Dept. of Finance | |
| 11/5/2015 | 0 | The City Council | Refer to Board of Estimates | |
| 11/5/2015 | 0 | The City Council | Refer to Commission for Historical & Architectural Preservation | |
| 11/5/2015 | 0 | The City Council | Refer to Dept. of Planning | |
| 11/5/2015 | 0 | The City Council | Refer to Dept. of Real Estate | |
| 11/5/2015 | 0 | The City Council | Refer to City Solicitor | |
| 11/5/2015 | 0 | The City Council | Refer to Dept. of Housing and Community Development | |
| 11/2/2015 | 0 | City Council | Assigned | |
| 11/2/2015 | 0 | City Council | Introduced | |

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

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THE OFFICIAL COPY CONSIDERED BY THE CITY COUNCIL IS THE FIRST READER
COPY.

INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL

Introduced by: The Council President
At the request of: The Administration (Planning Department)

A BILL ENTITLED

AN ORDINANCE concerning
Tax Credits - Historic Properties

FOR the purpose of extending the period within which applications may be accepted for an historic improvement tax credit; clarifying the definition of "eligible improvements"; restating the purpose and goal of this credit; modifying certain criteria for a credit limitation imposed on development projects that exceed a certain amount in construction costs; modifying certain procedures for adopting rules and regulations governing the credit; providing for a special effective date; and generally relating to the property tax credit for improvements, restorations, and rehabilitations to historic properties.

BY repealing and reordaining, with amendments

Article 28 - Taxes

Section 10-8(a)(3), (b), (f)(1) and (2), and (m)

Baltimore City Code

(Edition 2000)

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

Baltimore City Code

Article 28. Taxes

Subtitle 10. Credits

◆ 10-8. Historic improvements, restorations, and rehabilitations.

(a) Definitions.

(3) Eligible improvements.

◆Eligible improvements◆ means significant improvements to an historic property THAT HAVE BEEN APPROVED BY CHAP AS MEETING LOCAL PRESERVATION STANDARDS.

(b) Program goal.

The goal of this program is to help preserve AND REVITALIZE Baltimore's neighborhoods by encouraging home and business owners to make special efforts to restore or rehabilitate historic buildings.

(f) Amount of credit ♦ Limitation on projects more than [\$3.5] \$5 million in construction costs.

(1) For development projects exceeding [\$3.5] \$5 million in documented construction costs, the tax credit is limited to the following percentages of the amount computed under subsection (e) of this section:

- | | | | |
|-------|----------------------|---|------|
| (i) | in years 1 through 5 | ▲ | 80% |
| (ii) | in year 6 | ▲ | 70% |
| (iii) | in year 7 | ▲ | 60% |
| (iv) | in year 8 | ▲ | 50% |
| (v) | in year 9 | ▲ | 40% |
| (vi) | in year 10 | ▲ | 30%. |

(2) To be eligible for this limited tax credit:

(i) the developer must:

(A) submit all documents requested by the Finance Director; and

(B) submit documentation reviewed by the developer with the State Department of Assessments and Taxation to support a preliminary estimate of value for tax purposes based on construction costs and projected income; and

(ii) either:

(A) the existing building in question must have been at least 75% vacant for at least 3 years;

(B) THE PROJECT IS A HIGH-PERFORMANCE MARKET-RATE RENTAL HOUSING PROJECT, AS THESE TERMS ARE DEFINED IN ♦ 10-18 (A)(2) {♦DEFINITIONS: HIGH-PERFORMANCE♦} AND (A)(3) {♦DEFINITIONS: MARKET-RATE RENTAL HOUSING PROJECT♦} OF THIS SUBTITLE; or

(C) [(B)] the developer must otherwise demonstrate to the Finance Director that the credit is necessary in order for the project to proceed.

(m) Termination of program.

Applications for a credit under this section may not be accepted after [February 29, 2016]
FEBRUARY 28, 2021.

SECTION 2. AND BE IT FURTHER ORDAINED, That the catchlines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.

SECTION 3. AND BE IT FURTHER ORDAINED, That this Ordinance takes effect February 29, 2016.

dlr15-1260(4)~intro/28Oct15
art28/HistTxCredit/aa:me

dlr15-1260(4)~intro/28Oct15
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art28/HistTxCredit/aa:me