



## Legislation Details (With Text)

**File #:** 23-0369      **Version:** 0      **Name:** High-Performance Inclusionary Housing Tax Credit  
**Type:** Ordinance      **Status:** Enacted  
**File created:** 3/27/2023      **In control:** Baltimore City Council  
**On agenda:**      **Final action:** 1/23/2024  
**Enactment date:**      **Enactment #:** 24-309

**Title:** High-Performance Inclusionary Housing Tax Credit  
 For the purpose of establishing a High-Performance Inclusionary Housing Tax Credit; providing for the eligibility criteria of the tax credit; establishing the amount of the tax credit; requiring a certain annual report; defining certain terms; and generally relating to the High-Performance Inclusionary Housing Tax Credit.

**Sponsors:** Odette Ramos, John T. Bullock, James Torrence, Zeke Cohen, Kristerfer Burnett, Ryan Dorsey

**Indexes:** High-Performance Buildings, Housing, Inclusionary, Tax Credits

**Code sections:**

**Attachments:** 1. 23-0369~1st Reader, 2. Law 23-0369, 3. 23-0369 - Planning, 4. DHCD 23-0369, 5. 23-0369-BCIT, 6. PJC Testimony re Inclusionary Tax Credit 23-0369, 7. 23-0369 BDC, 8. Real Estate 23-0369, 9. Finance 23-0369, 10. Public Testimony Submittal, 11. COW - Attendance Sheet - 11-14-23, 12. VOTING RECORD FORM - CC23-0369, 13. 22-0195 and 23-0369 Inclusionary Housing Ramos memo 11.23, 14. Memorandum, Office of the Mayor - Justin Williams, 15. cc23-0369(1)~1st (CoW), 16. 23-0369(2)~1st (Torrence - Floor), 17. cc23-0369(1)~CoW Amendments (Ramos - Floor), 18. cc23-0369(1)~3rd (Ramos - Floor - Corrective), 19. cc23-0369(4)~3rd (Ramos - Floor), 20. cc23-0369(5)~3rd (Ramos - Floor), 21. 23-0369 3rd Reader, 22. 23-0369 Signed, 23. 23-0369 Completed Ordinance 24-309

Date	Ver.	Action By	Action	Result
1/29/2024	0	Mayor	Signed by Mayor	
12/7/2023	0	Baltimore City Council	Approved and Sent to the Mayor	
12/4/2023	0	Baltimore City Council	Held for 1 meeting	
11/20/2023	0	Baltimore City Council	3rd Reader, for final passage	
11/20/2023	0	Committee of the Whole	Recommended Favorably with Amendment	
11/14/2023	0	Committee of the Whole	Recommended Favorably with Amendment	Pass
10/30/2023	0	Committee of the Whole	Scheduled for a Public Hearing	
4/17/2023	0	Committee of the Whole	Scheduled for a Public Hearing	
3/30/2023	0	Baltimore City Council	Refer to Office of Civil Rights and Wage Enforcement	
3/30/2023	0	Baltimore City Council	Refer to Mayor's Office of Information Technology	
3/30/2023	0	Baltimore City Council	Refer to Baltimore Development Corporation	
3/30/2023	0	Baltimore City Council	Refer to Dept. of Real Estate	
3/30/2023	0	Baltimore City Council	Refer to Dept. of Finance	
3/30/2023	0	Baltimore City Council	Refer to City Solicitor	

3/30/2023	0	Baltimore City Council	Refer to Dept. of Planning
3/30/2023	0	Baltimore City Council	Refer to Dept. of Housing and Community Development
3/27/2023	0	Baltimore City Council	Assigned
3/27/2023	0	Baltimore City Council	Introduced

**Explanation:** Capitals indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.

\* **Warning:** This is an unofficial, introductory copy of the bill.  
The official copy considered by the City Council is the first reader copy.

## **Introductory\***

### **City of Baltimore Council Bill**

Introduced by: Councilmember Ramos

#### **A Bill Entitled**

An Ordinance concerning

#### **High-Performance Inclusionary Housing Tax Credit**

For the purpose of establishing a High-Performance Inclusionary Housing Tax Credit; providing for the eligibility criteria of the tax credit; establishing the amount of the tax credit; requiring a certain annual report; defining certain terms; and generally relating to the High-Performance Inclusionary Housing Tax Credit.

By authority of

Tax - Property Article

Section 9-242

Annotated Code of Maryland

By repealing and re-ordaining, with amendments,

Article 28 - Taxes

Section 10-18(h)

Baltimore City Code

(Edition 2000)

By adding

Article 28 - Taxes

Section 10-18.2

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**

**§ 10-18. High-performance market-rate rental housing - Citywide.**

(h) *No tax subsidy duplication allowed.*

Except for the Maryland State Enterprise Zone Tax Credit Program and the High-Performance Inclusionary Housing Tax Credit, the tax credit authorized by this section does not apply to any property for which any other tax subsidy from the City, whether in the form of a tax credit, payment in lieu of taxes, tax incremental financing, or otherwise, is being received or has been applied for.

**§ 10-18.2. High-performance inclusionary housing tax credit.**

(a) *Definitions.*

(1) *In general.*

In this section, the following words have the meanings indicated.

(2) *High-performance building.*

“High-performance building” means a high performance building as defined in State Tax - Property Article § 9-242.

(3) *Newly-constructed or converted.*

“Newly-constructed or converted” means a high-performance market-rate rental housing project:

(i) that is either:

- (A) newly-constructed on a vacant lot, cleared site, or parking lot; or
- (B) converted from a non-residential use; and

(ii) for which the cost of the construction or conversion exceeded \$60,000 per rental unit.

(b) *Credit granted.*

In accordance with State Tax - Property article § 9-242, a high-performance inclusionary housing tax credit is granted against the City property tax imposed on high-performance rental properties that are in full compliance with Subtitle 2B {“Inclusionary Housing Requirements”} of Article 13 - Housing and Urban Development of the City Code.

(c) *Credit granted.*

A tax credit granted to a property owner under this subsection shall:

- (1) be for a period of 15 years;
- (2) start with the completed building’s first assessment after issuance of the occupancy permit established by the City Building Code;

(3) be fully transferrable to a new owner for the remaining life of the tax credit; and

(4) terminate if, during the period of the tax credit, the building:

(i) fails to maintain its high-performance rating; or

(ii) fails to comply with the provisions of Subtitle 2B {"Inclusionary Housing Requirements"} of Article 13 - Housing and Urban Development of the City Code.

(d) *Amount.*

(1) *In general.*

A property owner of a building described under this section is eligible for a 15% High-Performance Inclusionary Housing Tax Credit.

(2) *Additional credits.*

A property owner may receive another residential rental project tax credit for which the building is eligible, provided that the total amount of City tax credits the property owner has received does not exceed 100% of the total tax liability for the building.

(e) *Application.*

(1) *Property owner to submit.*

A property owner shall submit an application to the Department of Finance in the form required by the Department of Finance.

(2) *Application fee.*

A property owner applying for the tax credit established by this subtitle shall pay an application fee, which shall be set by the Board of Estimates.

(3) *Application to continue.*

If a property owner receiving the tax credit transfers ownership of the building at any time, the new property owner shall file an application to continue the credit in the form required by the Department of Finance.

(f) *Rules and regulations.*

(1) *In general.*

Subject to title 4 {"Administrative Procedure Action - Regulations"} of the City General Provisions Article, the Director of Finance shall adopt rules and regulations to carry out the provisions of this section.

(2) *Procedures required.*

These regulations shall include procedures necessary and appropriate for the submission of an application and the granting of a property tax credit under this section.

(g) *Reporting credits.*

Each fiscal year, the estimated amount of all tax credits received by property owners under this section:

- (1) shall be reported by the Director of Finance as a tax expenditure; and
- (2) shall be included in the publication of the City's budget for any subsequent fiscal year with the estimated or actual city property tax revenue.

(h) *Annual report.*

On or before July 1 of each year, the Director of Finance shall submit a report to the Board of Estimates, Mayor, and City Council that includes the following:

- (1) an analysis of the tax credit, if any was conducted, and its findings and results;
- (2) the steps taken to promote and further the use of the tax credit; and
- (3) proposed future steps the Department of Finance can take to promote and further the use of the tax credit.

**Section 2. And be it further ordained,** That this Ordinance takes effect on the 30<sup>th</sup> day after the date it is enacted.