Introduced
Public Hearing —
Council Action -
Executive Action -
Effective Date

County Council Of Howard County, Maryland

2020 Legislative Session Legislative Day No. 14

Bill No. 52 -2020

Introduced by: The Chairperson at the request of the County Executive

AN ACT reestablishing a tax credit against the County tax imposed on certain commercial or industrial real property located adjacent to Route 1 that is renovated, upgraded, or rehabilitated, under certain conditions; establishing the amount, terms, conditions, and duration of the credit; providing for an application procedure and administration of the credit; establishing a sunset provision; and generally relating to property tax credits.

Introduced and read first time, 2020.	Ordered poste	ed and hearing scheduled.
	By order_	
	·	Diane Schwartz Jones, Administrator
Having been posted and notice of time & place of hearing & titl for a second time at a public hearing on		g been published according to Charter, the Bill was read
	By order _	Diane Schwartz Jones, Administrator
This Bill was read the third time on, 2020 and Po	assed, Pas	sed with amendments, Failed
	By order	
	,	Diane Schwartz Jones, Administrator
Sealed with the County Seal and presented to the County Execu a.m./p.m.	utive for appro	wal thisday of, 2020 at
	By order _	
		Diane Schwartz Jones, Administrator
Approved by the County Executive	, 2020	
		Calvin Rall County Evacutive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment.

1	WHEREAS, Council Bill No. 9-2014 ("CB 9-2014") established a tax credi					
2	against County property tax imposed on commercial or industrial real property, containing					
3	less than 10 acres, located adjacent to Route 1 that is renovated, upgraded, or rehabilitated					
4	under certain conditions; and					
5						
6	WHEREAS, the tax credit authorized by CB 9-2014 was valid for a period of 48					
7	months; and					
8						
9	WHEREAS, Council Bill No. 33-2017 extended the tax credit through the tax year					
10	ending June 30, 2020 and made certain amendments to Howard County Code Section					
11	20.129D; and					
12						
13	WHEREAS, because the credit has again expired, the County wishes to reinstate					
14	the tax credit with the following modifications:					
15	1. Limit the eligible expenses to up to 10% of architectural and engineering					
16	fees for the design of the improvements;					
17	2. Instead of \$500,000, the annual limit for the total amount of credit that car					
18	be granted shall not exceed \$250,000;					
19	3. Instead of up to 4 years, the unused portion of the credit can be carried					
20	forward for up to 5 years; and					
21	4. Commercial or industrial property less than 15 acres is eligible, instead or					
22	10 acres; and					
23						
24	WHEREAS, the tax credit proposed by this Act will sunset after 5 years.					
25						
26	NOW, THEREFORE,					
27						
28	Section 1. Be It Enacted by the County Council of Howard County, Maryland, that the					
29	Howard County Code is amended as follows:					
30	By repealing and reeneacting:					
31	Title 20. Taxes, charges and fees.					

1	Subti	tle 1. R	eal property tax; administration, credits, and enforcement.				
2	Part III. State-Authorized Howard County tax credits.						
3	Section 20.129D. Renovated, Upgraded, or Rehabilitated Property Adjacent to						
4	Route	e 1, as e	nacted by Council Bill No. 33-2017.				
5							
6			Title 20. Taxes, charges and fees.				
7	Subti	tle 1. R	eal property tax; administration, credits, and enforcement.				
8	Part III. State-Authorized Howard County tax credits.						
9							
10	SECTION 20.	129D.	RENOVATED, UPGRADED, OR REHABILITATED PROPERTY				
11	ADJACENT T	o Rou	те 1.				
12	(A) ESTABLIS	SHMENT	of Tax Credit for Renovated, Upgraded, or Rehabilitated				
13	PROPERTY:						
14	(1)	In ac	CORDANCE WITH \S 9-315(d) OF THE TAX-PROPERTY ARTICLE OF THE				
15		Anno	OTATED CODE OF MARYLAND, THERE IS A HOWARD COUNTY				
16		PROP	ERTY TAX CREDIT AGAINST THE COUNTY REAL PROPERTY TAX ON				
17		COMN	MERCIAL OR INDUSTRIAL PROPERTY THAT QUALIFIES UNDER THIS				
18		SECTI	ON.				
19	(2)	Тне I	DEPARTMENT OF FINANCE SHALL ADMINISTER THE CREDIT.				
20	(B) DEFINITI	ONS. IN	THIS SECTION THE FOLLOWING TERMS HAVE THE MEANINGS				
21	INDICATED:						
22	(1)	CERT	IFICATE OF ELIGIBILITY MEANS AN ORDER ISSUED BY THE COUNTY TO				
23		THE C	OWNER OF AN ELIGIBLE PROPERTY, WHICH AUTHORIZES THE				
24		DEPA	RTMENT OF FINANCE TO APPLY A CREDIT TO THE ELIGIBLE PROPERTY.				
25	(2)	Eligi	BLE PROPERTY MEANS COMMERCIAL OR INDUSTRIAL REAL PROPERTY				
26		THAT	IS LESS THAN 15 ACRES, INCLUDES NO RESIDENTIAL COMPONENT,				
27		AND:					
28		(I)	DIRECTLY FRONTS ROUTE 1;				
29		(II)	Is readily visible from the nearest road edge on Route 1 $$				
30			AND ADJOINS A PARCEL THAT FRONTS ROUTE 1; OR				

1		(111)	15 A	TAX PARCEL CONTAINED WITHIN THE PERIMETER ON THE	
2			"20.129D Map" on file with the Department of Finance.		
3	(3)	Eligi	BLE WORK:		
4		(I)	MEANS WORK DONE:		
5			A.	On an eligible property;	
6			В.	IN COMPLIANCE WITH THE ROUTE 1 DESIGN MANUAL; AND	
7			C.	IS READILY VISIBLE FROM THE NEAREST ROAD EDGE OF	
8				ROUTE 1.	
9		(II)	INCL	UDES:	
10			A.	THE RENOVATION, UPGRADE OR REHABILITATION OF A	
11				PROPERTY, WHICH SHALL INCLUDE THE REPAIR,	
12				REPLACEMENT, EXPANSION, OR ENHANCEMENT OF THE	
13				PROPERTY; AND	
14			В.	WORK THAT IS NECESSARY TO MAINTAIN THE PHYSICAL	
15				INTEGRITY OF THE PROPERTY WITH REGARD TO SAFETY,	
16				DURABILITY, OR WEATHERPROOFING.	
17		(III)	DOE	S NOT INCLUDE:	
18			A.	INTERIOR FINISH WORK THAT IS NOT NECESSARY TO	
19				MAINTAIN THE STRUCTURAL INTEGRITY OF THE BUILDING;	
20				OR	
21			В.	ROUTINE LANDSCAPE OR PROPERTY MAINTENANCE.	
22	(4)	VERII	FIED EX	PENSES MEANS THE AMOUNT OF MONEY PAID:	
23		(I)	Вут	THE OWNER OF AN ELIGIBLE PROPERTY TO A LICENSED	
24			CON	TRACTOR, ARCHITECT, OR CONSULTANT FOR:	
25			A.	Eligible work; or	
26			В.	MATERIALS USED TO DO ELIGIBLE WORK.	
27		(II)	VER	ified expenses shall be incurred within 12 months prior	
28			TO T	HE APPLICATION FOR A TAX CREDIT UNDER THIS SECTION.	
29		(III)	VER	IFIED EXPENSES MAY NOT EXCEED 10% FOR ARCHITECTURAL	
30			AND	ENGINEERING FEES FOR THE DESIGN OF THE IMPROVEMENTS.	

1 (C) ELIGIBILITY. THE OWNER OF COMMERCIAL OR INDUSTRIAL PROPERTY MAY QUALIFY 2 FOR A TAX CREDIT UNDER THIS SECTION FOR ELIGIBLE WORK DONE ON ELIGIBLE PROPERTY. 3 (D) APPROVAL BY AGENCIES. A REQUEST FOR A TAX CREDIT UNDER THIS SECTION MUST BE 4 APPROVED BY THE COUNTY EXECUTIVE, UPON THE ADVICE OF THE ECONOMIC 5 DEVELOPMENT AUTHORITY, THE DEPARTMENT OF PLANNING AND ZONING, AND THE DEPARTMENT OF FINANCE. 6 7 (E) Amount of Credit. The tax credit shall be granted in an amount of 125% of 8 THE VERIFIED EXPENSES BUT FOR NO MORE THAN \$100,000. 9 (F) *PROCEDURES*: THE ECONOMIC DEVELOPMENT AUTHORITY, DEPARTMENT OF PLANNING 10 (1) 11 AND ZONING, AND DEPARTMENT OF FINANCE SHALL DEVELOP AN 12 APPLICATION FORM. 13 (2) THE COUNTY, THROUGH THE ECONOMIC DEVELOPMENT AUTHORITY, 14 DEPARTMENT OF PLANNING AND ZONING, AND DEPARTMENT OF FINANCE 15 SHALL GIVE INITIAL APPROVAL OF A CERTIFICATE OF ELIGIBILITY: 16 (I) IF IT DETERMINES THE PROPERTY TO BE AN ELIGIBLE PROPERTY; AND IF IT DETERMINES THAT THE PROPOSED WORK IS ELIGIBLE WORK; 17 (II)18 (3) THE OWNER OF AN ELIGIBLE PROPERTY SHALL APPLY TO THE DEPARTMENT 19 OF FINANCE FOR A CREDIT BASED ON VERIFIED EXPENSES. 20 (4) UPON COMPLETION OF THE WORK: 21 (I) THE OWNER SHALL SUBMIT DOCUMENTATION TO THE DEPARTMENT 22 OF FINANCE: 23 NO LATER THAN APRIL 1 PRIOR TO THE FIRST TAX YEAR FOR A. 24 WHICH THE CREDIT IS BEING REQUESTED; 25 В. THAT SHOWS THE WORK WAS DONE IN ACCORDANCE WITH 26 THE INITIAL APPROVAL OF THE CERTIFICATE OF ELIGIBILITY; 27 AND 28 C. THAT SHALL INCLUDE ALL VERIFIED EXPENSES; 29 (II)THE COUNTY, THROUGH THE ECONOMIC DEVELOPMENT 30 AUTHORITY, DEPARTMENT OF PLANNING AND ZONING, AND 31 DEPARTMENT OF FINANCE, SHALL:

1		Α.	KEVIE	W THE APPLICATION, THE INITIAL APPROVAL, AND THE
2			DOCU	MENTATION; AND
3		В.	GIVE I	FINAL APPROVAL OF THE CERTIFICATE OF ELIGIBILITY
4			BASED	ON A CONSIDERATION OF CONSISTENCY WITH:
5			I.	THE ROUTE 1 MANUAL; AND
6			II.	ANY SUBAREA PLANS;
7		C.	DETER	RMINE:
8			I.	WHAT WORK IS ELIGIBLE WORK; AND
9			II.	THE DOLLAR AMOUNT OF QUALIFIED EXPENSES FOR
10				THE WORK; AND
11		(III) THE	OWNER S	HALL ENTER INTO AN AGREEMENT IN ACCORDANCE
12		WITH	SUBSEC	TION (J) OF THIS SECTION.
13	(5)	THE DOLLAR	AMOUN	T OF QUALIFIED EXPENSES AND THE AMOUNT OF THE
14		TAX CREDIT S	SHALL BE	E ENTERED ON THE CERTIFICATE OF ELIGIBILITY.
15	(G) YEAR GRA	NTED. THE DE	PARTME	NT OF FINANCE SHALL GRANT THE TAX CREDIT FOR
16	THE TAX YEAR	R IMMEDIATEL	Y FOLLO	WING THE YEAR IN WHICH THE CERTIFICATE OF
17	ELIGIBILITY R	ECEIVES FINAL	APPROV	AL.
18	(H) EXCEEDIN	NG THE AMOUN	T OF TAX.	A TAX CREDIT GRANTED UNDER THIS SECTION SHALL
19	BE PAID IN MO	ORE THAN ONE	FISCAL Y	EAR IF:
20	(1)	THE AMOUNT	OF THE	TAX CREDIT UNDER THIS SECTION EXCEEDS THE
21		AMOUNT OF	гне How	ARD COUNTY REAL PROPERTY TAX, THEN, IN THIS
22		INSTANCE, A	NY UNUS	ED PORTION OF THE TAX CREDIT SHALL BE CARRIED
23		FORWARD FO	R UP TO	5 TAX YEARS IF:
24		(I) THE PRO	PERTY MI	EETS THE ELIGIBILITY REQUIREMENT OF THIS SECTION;
25		AND		
26		(II) THE PRO	PERTY OV	WNER APPLIED FOR THE CREDIT ON OR BEFORE APRIL 1 ,
27		2025; OR	-	
28	(2)	REQUIRED BY	THE AM	OUNT OF THE CREDIT OR LIMITATIONS SET FORTH IN
29		THE ANNUAL	BUDGET	AND APPROPRIATION ORDINANCE.

1 (1) CERTIFICATE RUNS WITH PROPERTY. A CERTIFICATE OF ELIGIBILITY RUNS WITH THE 2 PROPERTY AND A CHANGE IN OWNERSHIP DOES NOT RESULT IN THE LAPSE OF A TAX CREDIT 3 GRANTED UNDER THIS SECTION. 4 (J) AGREEMENT TO IMPLEMENT CREDIT. THE RECIPIENT OF A TAX CREDIT UNDER THIS 5 SECTION SHALL ENTER INTO A CONTRACT WITH THE COUNTY THAT MAY INCLUDE, WITHOUT 6 LIMITATION, CONDITIONS REGARDING MAINTENANCE OF THE PROPERTY. 7 (K) ANNUAL REPORT: 8 (1) THE ECONOMIC DEVELOPMENT AUTHORITY, DEPARTMENT OF PLANNING 9 AND ZONING, AND DEPARTMENT OF FINANCE SHALL REPORT ANNUALLY TO 10 THE COUNTY EXECUTIVE AND THE COUNTY COUNCIL CONCERNING THE 11 IMPLEMENTATION OF THE TAX CREDIT UNDER THIS SECTION. 12 (2) THE REPORT UNDER THIS SUBSECTION SHALL: 13 (I) BE SUBMITTED NO LATER THAN SEPTEMBER FIRST OF EACH YEAR; 14 (II)INCLUDE, FOR EACH RECIPIENT OF A CREDIT UNDER THIS SECTION DURING THE PREVIOUS FISCAL YEAR: 15 16 A. THE NAME OF THE RECIPIENT; AND 17 В. THE AMOUNT OF THE CREDIT GRANTED; 18 (III)INCLUDE AN EVALUATION OF THE PROGRAM AND ANY 19 RECOMMENDED CHANGES; AND 20 (IV) BE PRESENTED IN A PUBLIC MEETING WITH THE COUNCIL. 21 (L) ANNUAL LIMIT. 22 (1) DURING A FISCAL YEAR, THE TOTAL OF ALL TAX CREDITS BUDGETED FOR 23 UNDER THIS SECTION SHALL NOT EXCEED \$250,000.00. 24 (2) A COMPLETE APPLICATION THAT, IF GRANTED, WOULD CAUSE THE LIMIT SET 25 FORTH IN PARAGRAPH (1) OF THIS SUBSECTION TO BE EXCEEDED, SHALL BE 26 GRANTED IN THE NEXT FISCAL YEAR OR YEARS AND IN THE ORDER 27 RECEIVED. 28 29 **Section 2.** And Be It Further Enacted by the County Council of Howard County, 30 Maryland, that the tax credits authorized by this Act may be granted in taxable years beginning after June 30, 2021.

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1	
2	Section 3. And Be It Further Enacted by the County Council of Howard County,
3	Maryland, that, for Fiscal Year 2022, the property owner shall submit documentation to
4	the Department of Finance no later than April 1, 2021.
5	
6	Section 4. And Be It Further Enacted by the County Council of Howard County,
7	Maryland that the 20.129D Map of eligible tax parcels is attached to this Bill and
8	incorporated herein by reference. The Department of Finance shall make the "20.129D
9	Map " publicly available.
10	
11	Section 5. And Be It Further Enacted by the County Council of Howard County,
12	Maryland, that the tax credit may only be granted for the expenses incurred after the
13	effective date of this Act.
14	
15	Section 6. And Be It Further Enacted by the County Council of Howard County,
16	Maryland, that tax credits authorized by this Act shall remain effective for a period of 5
17	years and, at the end of 5 years, with no further action required by the County Council,
18	this Act shall be abrogated and of no further force and effect.
19	

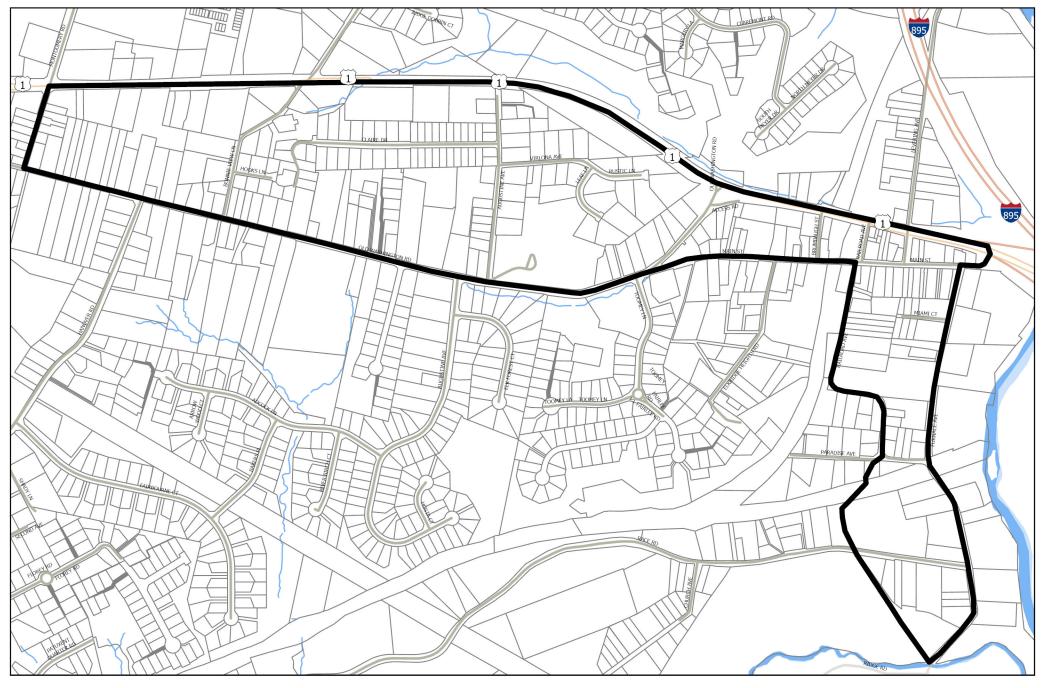
Section 7. And Be It Further Enacted by the County Council of Howard County,

Maryland, that this Act shall become effective 61 days after its enactment.

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Route 1 Tax Credit Elkridge Addition, 20.129D Map



Elkridge Tax Credit Properties

0 0.05 0.1 0.2 Miles

