

August 27, 2020

Chairwoman Sharon Green Middleton
Taxation, Finance & Economic Development
Baltimore City Council
100 North Holliday Street
Baltimore, Maryland 21202

Re: Support of Council Bill 20-0552

Dear Chairwoman Middleton and Members of the Committee:

The Baltimore City Chapter of the Maryland Building Industry Association (MBIA) writes in strong support of Council Bill 20-0552, which would extend the termination date for the Historic Improvements, Restorations and Rehabilitations Tax Credit program from February 28, 2021, to February 28, 2022.

Extending this tax credit program is essential for Baltimore City. The Historic Tax Credit program significantly contributes to the City's mission to preserve Baltimore's historic neighborhoods by encouraging property owners in historic districts to complete substantive rehabilitation projects. The 10-year credit is granted on the increased property value, resulting from the qualifying rehabilitation work. To date, over one billion dollars has been invested in historic properties since 1997, with more than 3,000 restorations currently underway in historic districts throughout the City.

Furthermore, without this credit to offset the City's high property taxes, many homebuyers would purchase a home in a competing jurisdiction instead of the City. This credit was designed to alleviate that very problem by enticing potential new residents to invest in homes in the Baltimore City.

The Historic Improvements, Restorations and Rehabilitations Tax Credit program helps preserve Baltimore's neighborhoods by encouraging restoration and rehabilitation, positively impacting all of Baltimore City and its residents. For these reasons, we ask the Committee to support Council Bill 20-0552.

If you have any questions or would like to discuss MBIA's position further, please do not hesitate to contact me at abailey@marylandbuilders.org or (202) 815-4445. Thank you for your consideration.

Sincerely,

Angelica Bailey, Esq.
Vice President of Government Affairs
Maryland Building Industry Association

CC: Baltimore City Council Members
Mayor Bernard C. "Jack" Young