

**CITY OF BALTIMORE
COUNCIL BILL 20-0555
(First Reader)**

Introduced by: The Council President

At the request of: The Administration (Department of Finance/Baltimore Development Corporation)

Introduced and read first time: July 6, 2020

Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Housing and Community Development, Baltimore Development Corporation, Department of Planning, Department of Finance

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **High-Performance Market-Rate Rental Housing Tax Credit – Revision**

3 FOR the purpose of making certain revisions to a provision regarding the use of the
4 high-performance market-rate rental housing tax credit in conjunction with other tax
5 subsidies; and providing for a special effective date.

6 BY repealing and re-ordaining, with amendments

7 Article 28 - Taxes
8 Section(s) 10-18(h)
9 Baltimore City Code
10 (Edition 2000)

11 BY repealing and re-ordaining, without amendments

12 Article 28 - Taxes
13 Section(s) 10-18(a), (b), and (c)
14 Baltimore City Code
15 (Edition 2000)

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

18 **Baltimore City Code**

19 **Article 28. Taxes**

20 **Subtitle 10. Credits**

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

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

(a) *Definitions.*

(1) *In general.*

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

(2) *High-performance.*

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

(3) *Market-rate rental housing project.*

“Market-rate rental housing project” means a multi-family dwelling:

(i) that contains 10 or more rental units; and

(ii) in which dwelling, except to the extent specifically required by City Code Article 13, Subtitle 2B {“Inclusionary Housing Requirements”}, none of the rental units are subject to governmental restrictions on the amount of rent charged or on the tenant’s income level.

(4) *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;

(B) converted from a non-residential use; or

(C) a wholly renovated structure; and

(ii) for which:

(A) the cost of the construction or conversion exceeds \$60,000 per rental unit; and

(B) a first occupancy permit following substantial completion of the construction or conversion is issued after January 1, 2014, and on or before June 30, 2024.

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1 (b) *Program goal.*

2 The goal of this program is to help grow Baltimore’s residential population in an
3 environmentally sensitive manner, by encouraging the construction or conversion of new
4 high-performance market-rate rental housing projects.

5 (c) *Credit granted.*

6 In accordance with State Tax-Property Article § 9-242, a High-Performance Market-Rate
7 Rental Housing Tax Credit is granted against the City property tax imposed on eligible
8 newly constructed or converted high-performance market-rate rental housing projects.

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10 (h) *No tax subsidy duplication allowed.*

11 Except for the Maryland State Enterprise Zone Tax Credit Program, the tax credit
12 authorized by this section does not apply to any property for which any other tax subsidy
13 from the City, whether in the form of a tax credit, payment in lieu of taxes, [tax
14 incremental financing,] or otherwise, is being received or has been applied for.

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

18 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the date it is
19 enacted.