



SB 978 | Historic Revitalization Tax Credit- Transferability, Funding, and Extension (Historic Revitalization Tax Credit Improvement Act of 2020)

TESTIMONY OF SENATOR KATIE FRY HESTER

Footer Dye Works in Cumberland



Philips Packing Plant in Cambridge



National Park Seminary in Silver Spring



Fort Richie in Washington County



What does SB 978 do?

Makes key changes to the existing historic tax credit program:

1. Provides for a stepped increase in the level of funding for the large commercial historic tax credit program
2. Increases the per-project cap once full funding for the program is realized.
3. It allows the state HTC to be transferred
4. Extend the authorization of the program through Fiscal Year 2028

- A. FOR FISCAL YEAR 2022, \$15,000,000;
- B. FOR FISCAL YEAR 2023, \$20,000,000;
- C. FOR FISCAL YEAR 2024, \$25,000,000; AND
- D. FOR FISCAL YEAR 2025, \$30,000,000.

Hot off the press!



Advancing the Preservation and Reuse of Maryland's Historic Complexes

Challenges and Opportunities

Prepared for: The Maryland Department of Planning

January 28, 2020

1. Large inventory
2. Expensive to maintain
3. Great ROI

Steering Group

Secretary Robert S. McCord

Senator Katie Fry Hester

Delegate Regina Boyce

John Renner, VP Cross Street Partners

Nick Redding, ED Preservation Maryland

Large inventory of vacant historic buildings



Crownsville Campus



Springfield (Warfield) Hospital

The Economic Benefits of Maryland's Historic Revitalization Tax Credit Program

by Ethan Reed

- Every \$1 of tax credits issued = \$8.13 of economic activity
- \$15 million tax credits = nearly 800 jobs during the construction period (20% more jobs as compared to new construction)
- Increased property values from 20%- 31%
- had a savings of between \$500,000 and \$800,000 in infrastructure investment
- Increased local tax revenue = increased education funding



Success- CASA de Maryland

Project cost:

\$13.7 Million

Beneficiaries served:

6,000

Temporary jobs:

90

Permanent jobs:

121

Tax contribution:

\$705,800 (state and
local)

Built to LEED Gold Standards



#1 Barrier is small tax credit

- Maryland invested \$80 million □ 9 million
- 34 States have HTC programs
- 16 have no annual cap
- 18 with cap average \$25 M, per project cap (\$5)
- Virginia \$100M / West Virginia \$30M

Panel

- Katie Parks, Eastern Shore Land Conservancy
- Brandon Shultz, Quinn Evans, Hagerstown
- Nick Redding, ED Preservation Maryland
- Steve McCleaf, Warfield Development, Sykesville

