

HOUSE BILL 1123

Unofficial Copy  
Q2

1998 Regular Session  
8lr2331  
CF 8lr2330

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By: **Delegate Boston (Baltimore City Administration)**  
Introduced and read first time: February 13, 1998  
Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City - Property Tax Exemption - Residential Conversion of**  
3 **Commercial Buildings**

4 FOR the purpose of providing for a certain exemption from county property tax for  
5 certain vacant and underutilized commercial buildings in a certain district of  
6 Baltimore City that meet certain criteria and are subject to a certain agreement  
7 between the owner of the real property and the Baltimore City Board of  
8 Estimates; defining a certain term; and generally relating to a property tax  
9 exemption for certain property in Baltimore City.

10 BY adding to

11 Article - Tax - Property  
12 Section 7-504.2  
13 Annotated Code of Maryland  
14 (1994 Replacement Volume and 1997 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Tax - Property**

18 7-504.2.

19 (A) IN THIS SECTION, "DOWNTOWN MANAGEMENT DISTRICT" MEANS THE  
20 DISTRICT WHOSE BOUNDARIES ARE SET FORTH IN ARTICLE II, § 61(A)(2)(I) OF THE  
21 BALTIMORE CITY CHARTER.

22 (B) VACANT AND UNDERUTILIZED COMMERCIAL BUILDINGS THAT ARE  
23 UNDER A DEVELOPMENT PLAN ARE EXEMPT FROM COUNTY PROPERTY TAX IF:

24 (1) THE REAL PROPERTY IS LOCATED IN THE DOWNTOWN  
25 MANAGEMENT DISTRICT;

26 (2) THE REAL PROPERTY MEETS TWO OF THE FOLLOWING CRITERIA:

27 (I) THE IMPROVEMENT ON THE PROPERTY IS OVER 25 YEARS OLD;

1 (II) THE PROPERTY WAS LAST USED AS OFFICE SPACE WITH  
2 ACCESSORY USES; AND

3 (III) THE PROPERTY HAS BEEN AT LEAST 75% VACANT FOR MORE  
4 THAN 3 YEARS;

5 (3) THE REAL PROPERTY IS OWNED BY A PERSON WHO:

6 (I) IS ENGAGED IN CONSTRUCTING AND OPERATING HOUSING  
7 STRUCTURES OR PROJECTS, INCLUDING NONDWELLING COMMERCIAL AND  
8 COMMUNITY FACILITIES;

9 (II) PROVIDES A MINIMUM OF \$500,000 OF PRIVATE CAPITAL IN THE  
10 DEVELOPMENT OF THE RESIDENTIAL PORTION OF THE PROJECT;

11 (III) RENOVATES THE REAL PROPERTY SO THAT AT LEAST 75% OF  
12 THE TOTAL LEASABLE SQUARE FOOTAGE OF THE BUILDING IS USED FOR RENTAL  
13 RESIDENTIAL HOUSING; AND

14 (IV) DEMONSTRATES TO THE SATISFACTION OF THE BOARD OF  
15 ESTIMATES OF BALTIMORE CITY THE FINANCIAL NECESSITY FOR AN AGREEMENT AS  
16 AUTHORIZED BY THIS SECTION; AND

17 (4) THE OWNER OF THE REAL PROPERTY AND THE BALTIMORE CITY  
18 BOARD OF ESTIMATES AGREE ON THE PAYMENT THAT THE OWNERS SHALL MAKE TO  
19 BALTIMORE CITY IN LIEU OF THE COUNTY PROPERTY TAXES.

20 (C) REAL PROPERTY THAT QUALIFIES FOR AN EXEMPTION UNDER THIS  
21 SECTION IS EXEMPT TO THE EXTENT THAT THE PARTIES AGREE UNDER SUBSECTION  
22 (B) OF THIS SECTION.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 July 1, 1998.