



Larry Hogan, Governor
Boyd Rutherford, Lt. Governor
Jeannie Haddaway-Riccio, Secretary

February 3, 2020

The Honorable Guy Guzzone
Chair, Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, Maryland 21401

***Re: Letter of Support – Senate Bill 447 – Historic Rehabilitation Tax Credit
– Certified Historic Structure – Definition***

Dear Chair and Committee Members,

The Maryland Department of Natural Resources supports Senate Bill 447. This bill would expand the eligibility for the Maryland Historical Trust's Historic Rehabilitation Tax Credit by altering the definition of "certified historic structure" to include participants in the department's Resident Curatorship Program.

The department owns approximately 495,000 acres of land throughout the state and a number of historically significant sites and structures. In order to maximize the number of these historic properties that are preserved and shared with the public, the department, through the Maryland Resident Curatorship Program, seeks public-private partnerships for the funding, maintenance, and interpretation of select structures. The Maryland Resident Curatorship Program offers curators the right to lifetime occupancy in an historic property in exchange for restoring it, maintaining it in good condition, and periodically sharing it with the public.

The Curatorship program currently includes 42 residential properties that could potentially benefit from this legislation (see attachment). The requirements of the curatorship agreements stipulate the property be rehabilitated and restored to applicable standards regardless of financial incentives curators may or may not be eligible for.

Because curators never take title to the property, they are not able to access traditional forms of lending to finance rehabilitation projects. This means curators need to cobble together financing from different sources; most commonly the sale of a property they own or taking a line of credit against other privately owned property. This results in projects sometimes taking longer than they might have otherwise with more dependable lending options or other financial incentives. With the passage of SB 447, the 20% credit offered through the Historic Rehabilitation Tax Credit will enable existing curators to

stretch their money further in preserving eligible historic structures, as well as become a valuable incentive to attract new curators.

For these reasons, the department respectfully requests the committee to grant SB 447 a favorable report.

Respectfully submitted,

James W. McKitrick
Director, Legislative and Constituent Services

The Widmeyer House - Washington County



Before



Today

The Widmeyer or Kaylor House was built in the late 19th century and is an excellent example of vernacular Victorian architecture in western Maryland. The balloon framed building sits on a stone foundation and has a typical double pile, center hall plan. The property was purchased by DNR in 1974. After falling into a state of disrepair, the department offered it as a curatorship and in 1999, the property was taken on by its current curators. Since that time, the curators have been diligently working to restore the house to its former glory investing over \$87,000 to date. While there is still more work to be done, the curators' attention to detail and high standards of craftsmanship are truly remarkable. We hope that the availability of Rehabilitation Tax Credits will help the curators complete their ambitious project and ensure the preservation of this historic property for many years to come.

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