

Testimony of Elly Colmers Cowan
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Before the Senate Budget and Taxation Committee
February 3, 2021

Pertaining To: SB447, Historic Revitalization Tax Credit – Certified Historic Structure and Single-Family, Owner-Occupied Residence - Definitions

Favorable

On behalf of the staff and Board of Directors of Preservation Maryland and our thousands of statewide supporters, I thank you for the opportunity to provide testimony on the value of history and preservation in Maryland. Preservation Maryland is the statewide voice for historic preservation that works to protect the best of Maryland. Since 1931, we have worked tirelessly to protect the places, stories and communities in Maryland that matter.

Preservation Maryland strongly supports SB 447, which would expand the use of the Historic Revitalization Tax Credit to include structures that are part of the Department of Natural Resources' Resident Curatorship Program.

The Resident Curatorship Program was begun in 1982 as a way to preserve state-owned historic resources. As the largest landholder in the state, the Department of Natural Resources (DNR) owns many historically significant sites and structures. Some of these, like Fort Frederick in Washington County or Rock Run Mill in Harford County, are operated as museums, while others are used for park operations and staff housing. Unfortunately, given the realities of tight budgets and an excess of buildings, not all of the historic structures in the department's portfolio can be maintained - this is where the Resident Curatorship Program comes in.

Rather than allow these historically significant properties to fall into ruin, the Resident Curatorship Program offers them to the public for long term lease in return for restoration work. Curators are responsible for all costs associated with restoration and maintenance of the property but receive life tenancy free of rent in exchange for that work and financial investment. Since its inception in 1982, the program has grown to include 48 properties throughout the state and has leveraged over \$11.6 million dollars of private investment in state owned real estate.

Unfortunately, under the current definition of "certified historic structure" within the Historic Revitalization Tax Credit, the resident curators who are taking on costly rehabilitation work are unable to utilize the residential tax credit, which is a 20% credit of the cost of qualifying rehabilitation projects. Thankfully, the changes made by SB 447 would correct this by expanding the definition of qualifying properties to include those that are a part of the Resident Curatorship Program. The resident curators are helping the state maintain priceless historic resources and taking on the financial burden of rehabilitation projects that the state's residential historic tax credit was created to encourage.

Therefore, I respectfully urge a favorable report on SB 447.