

Maryland DEPARTMENT OF PLANNING MARYLAND HISTORICAL TRUST

Study of the Redevelopment of Historic Government Complexes Meeting of Study Steering Committee Monday, May 10, 2021 at 1 PM Virtual Meeting

Steering Committee Members Present: Robert S. McCord, Secretary of the Maryland Department of Planning; Senator Katie Fry Hester; Delegate Regina Boyce; John Renner, Nicholas Redding.

Other Attendees: Steven McCleaf, Langley Realty Partners; Carl Roberts, Steve Cassard, and Toni Sprenkle, Bainbridge Development Corporation; Tamar Osterman, MD Department of Commerce; Atif Chaudry, MD Department of Health; Hunter Pickels, MD Department of Housing and Community Development; Wendy Scott-Napier, Jane Roger, MD Department of General Services; Elizabeth Hughes, Anne Raines, Collin Ingraham, Maryland Historical Trust; Adam Grusz, Maryland Department of Planning; Nithin Venkatraman, Office of Senator Hester.

I. Welcome and Review of Purpose and Goals

Secretary McCord welcomed the returning Steering Committee members and thanked them for their ongoing service on the Committee. He reviewed the purpose of the meeting and the requirements of SB885, entitled *Economic and Community Development – Income Tax Credit for Catalytic Revitalization Projects and Historic Revitalization Tax Credit*, which states that the Committee shall continue its work and make recommendations to the Department of Housing and Community Development and the Department of Commerce on or before December 31, 2021.

II. 2021 Legislation Session

Senator Hester thanked the Steering Committee for continuing its work and pointed out that passage of SB885 achieved two of the Committee's recommendations -1. Creation of a \$15 million catalytic revitalization tax credit in the Department of Housing and Community Development; and, 2. Increased funding for the State Historic Revitalization Tax Credit of at least \$12 million in fiscal years 2023 and 2024.

Senator Hester also noted that passage of HB517, entitled *Clean Energy Loan Fund* – *Remediation and Resiliency*, will achieve another goal of the Committee. This bill expands clean

energy loan program eligible activities to include environmental remediation projects (e.g. asbestos and mold remediation, lead removal, etc.) and resiliency projects (e.g. flood mitigation, stormwater management, etc.).

Senator Hester remarked that she was pleased with progress made so far on the recommendations included in the report *Advancing the Preservation and Reuse of Maryland's Historic Properties* and expects that the work of this group will assist in prioritizing recommendations to put into place over the next two to three years.

III. Review Report Recommendations Spreadsheet

Secretary McCord asked Committee members to review the spreadsheet listing all of those recommendations included in the *Advancing the Preservation and Reuse of Maryland's Historic Properties* report, identifying which recommendations had been accomplished and prioritizing action on the remaining recommendations.

Specific comments were as follows:

Historic Tax Credit (1.1.1; 1.1.2) – Recommended changes to the historic tax credit could be combined with the 2024 reauthorization advocacy effort – although reauthorization efforts can always begin early. Any increase in the amount of the tax credit authorization should be stepped in order to accommodate staff and developer capacity. Tours of successful projects for legislators are needed in order to support advocacy efforts.

Property Tax Abatement (1.2) – Property tax abatement is a local government decision. Is expanded authority for local governments needed? If not, how is this recommendation actionable?

Expanding Zones/Designations (1.3) – Mixed opinions on utility of these zones. They are not helpful to residential projects, but have been helpful to Baltimore City redevelopment projects. Mapping of zones versus the location of these government complexes would be helpful to understand gaps. Perhaps we should consider extending the benefits of these enterprise zones to the government complexes without creating new enterprise zones.

Increasing funding for Strategic Demolition Fund (1.4) – In addition to seeking funding increases for SDIF and Community Legacy, would it be possible for programs like NED and BERNIE to be made available to these types of projects?

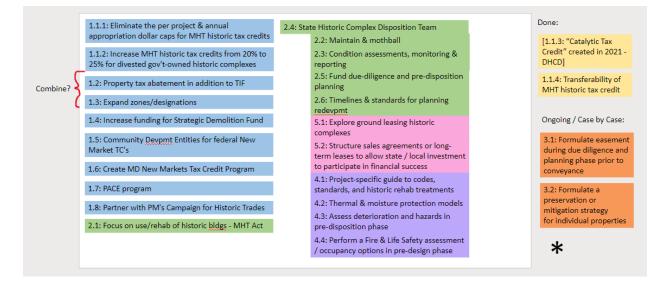
Creation of a MD Community Development Entity (1.5) – This is a private sector initiative. Mr. Renner and Mr. Redding will talk to CDEs in other states to determine if this makes sense.

Creation of MD New Markets Tax Credits Program (1.6) – This is a legislative issue that Senator Hester is willing to pursue.

Campaign for Historic Trades (1.8) – Preservation Maryland is working on this initiative through other avenues; will work with Senator Hester on this issue, applying what they have learned through their partnership with the Maryland Workforce Alliance.

Most of the recommendations in Sections 2, 4, and 5 are related to the creation of a Historic Complex Disposition Team. It is unclear if this entity needs to be created by legislation. Secretary McCord asked Mr. Pickels to speak with Adam Gruzs, the MDP Chief of Staff, to plan a meeting with Secretary Holt to discuss creation of this entity.

Reorganization of report recommendations was illustrated during the meeting as per the image below:



IV. Project Timeline

If legislation is proposed for the 2022 legislative session, note that pre-filed bills are due in early November. This deadline is in advance of the December 31, 2021 report deadline.

The Committee agreed to meet on a monthly basis. Ms. Hughes will schedule the next meeting in early June.

The meeting adjourned at 2:30 pm.