

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2024, Legislative Day No. 7

Bill No. 18-24

Mr. Julian E. Jones, Jr., Councilman

By the County Council, April 1, 2024

A BILL
ENTITLED

AN ACT concerning

Revitalization Property Tax Credit

FOR the purpose of making available a certain revitalization tax credit for properties within a State designated transit oriented development located in a certain area; establishing the conditions and duration for the tax credit; and generally relating to the revitalization tax credit.

BY repealing and re-enacting, with amendments

Section 11-2-202
Article 11 – Taxation
Title 2 – Ad Valorem Taxes
Subtitle 2 – Property Tax Credits for Improvements
Baltimore County Code, 2015

WHEREAS, the State of Maryland recognizes that “transit-oriented developments” (defined as dense, mixed-use developments within ½ mile of transit stations) are an important tool

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter stricken from existing law.
~~Strike out~~ indicates matter stricken from bill.
Underlining indicates amendments to bill.

“to help increase ridership, support economic development, and maximize the efficient use of transportation infrastructure.” Qualifying transit-oriented developments are designated as such by agreement of the Maryland Department of Transportation and the local jurisdiction; and

WHEREAS, Baltimore County has stated its intention to support transit-oriented developments within the jurisdiction. In the newly adopted Master Plan 2030, the Core Retrofit Area Mapping Methodology assigned great weight to transportation access and, particularly, proximity to transit stations. Master Plan 2030 also described transit-oriented developments as providing a “unique opportunity to increase transit ridership and connectivity” within the County and the region. One clear goal identified in the Master Plan is to incentivize such developments; and

WHEREAS, at this time, the Metro Centre at Owings Mills is the only State-designated transit-oriented development in Baltimore County. This mixed-use development features commercial/retail, office, and residential components and also includes, as a centerpiece, a public library and branch of the Community College of Baltimore County, which represent a multi-million-dollar investment by Baltimore County; and

WHEREAS, the proposed tax credit will incentivize the intensification, particularly in the form of additional residential units, of this State-designated transit-oriented development, which will promote usage of the Baltimore Metro SubwayLink and utilization of the public library and the Community College campus; now therefore

1 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE
2 COUNTY, MARYLAND, that the Laws of Baltimore County read as follows:
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4

1 ARTICLE 11 – TAXATION

2 Title 2 – Ad Valorem Taxes

3 Subtitle 2 – Property Tax Credits for Improvements

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5 § 11-2-202. Revitalization Property Tax Credit.

6 (a) (1) In this section the following words have the meanings indicated.

7 (2) “Base value” means the full cash value of the property used to determine the
8 assessment on which the county property tax on real property was imposed before the substantial
9 completion and first assessment of the improvements.

10 (3) “Commercially zoned properties” are properties that are:

11 (i) Located in any of the county's designated commercial revitalization
12 districts as specified in the master plan or by resolution of the County Council;

13 (ii) Mobile home parks as defined in Title 4, Subtitle 3 of this article; [or]

14 (iii) Senior housing developments; OR

15 (IV) LOCATED WITHIN A STATE DESIGNATED TRANSIT
16 ORIENTED DEVELOPMENT AND IN THE C.T. DISTRICT OF OWINGS MILLS.

17 (4) “Eligible assessment” means the difference between the base value and the
18 actual full cash value as determined by the State Department of Assessments and Taxation for
19 the applicable taxable period in which the tax credit under this section is granted.

20 (5) “Improvements” means physical improvements, paid for in whole or in part
21 by the applicant:

22 (i) To a mobile home park by a mobile home park operator; or

1 (ii) To a building or structure that requires the issuance of a permit under
2 Article 35, Title 2 of the Code.

3 (6) “Senior housing development” means a housing development restricted to
4 seniors, age 60 or older, and located within an approved planned unit development as provided in
5 the Baltimore County Zoning Regulations.

6 (7) (i) “Qualified improvements” means improvements:
7 1. To commercially zoned properties; and
8 2. Which have a full cash value of \$50,000 or more as reflected in
9 the records of the State Department of Assessments and Taxation in the year of their substantial
10 completion and assessment.

11 (ii) “Qualified improvements” does not include improvements on
12 properties:

13 1. Used for the primary purpose of a railroad or public utility
14 company; or
15 2. Covered by the Maryland Condominium Act.

16 (b) The Director shall grant a revitalization property tax credit to a taxpayer who meets
17 the requirements of this section.

18 (c) (1) Within 120 days after the issuance of a notice of assessment by the State
19 Department of Assessments and Taxation for qualified improvements, the taxpayer shall submit
20 an application to the Director for a tax credit, under oath, on a form provided by the Director.

21 (2) The taxpayer may submit an application for a tax credit more than 120 days
22 after the issuance of a notice of assessment but the tax credit shall terminate on the date the tax

1 credit would have terminated if the taxpayer had submitted the application in compliance with
2 paragraph (1) of this subsection.

3 (d) On the application, the taxpayer shall demonstrate that the taxpayer has made
4 qualified improvements.

5 (e) (1) Based on the recommendation of the Director of Economic and Workforce
6 Development, the Director of Budget and Finance shall:

7 (i) Within 30 days after receiving the application, grant or deny the
8 application for a tax credit under this section;

9 (ii) Notify the applicant of the decision at the address in the application;
10 and(iii)In the case of a denial, state the reasons for the denial.

11 (2) If the Director does not grant or deny the tax credit within 30 days after
12 receiving the application, the application is deemed to be approved.

13 (f) A taxpayer whose application for a tax credit is denied may appeal the Director's
14 decision as provided for in § 11-2-204 of this subtitle.

15 (g) (1) This subsection applies only to a mobile home park or senior housing
16 development.

17 (2) The property tax credit granted under this section shall equal:

18 (i) 100% of the increase in county real property taxes attributable to the
19 substantial completion and assessment of the qualified improvements:

- 20 1. In a mobile home park; or
21 2. A senior housing development that is located in a designated
22 commercial revitalization district; or

1 (ii) 50% of the increase in county real property taxes attributable to the
2 substantial completion and assessment of the qualified improvements for a senior housing
3 development that is not located in a designated commercial revitalization district.

4 (3) Notwithstanding the requirement within the senior housing development
5 definition that such a housing development be located within an approved planned unit
6 development, the 50% credit applicable under paragraph (2)(ii) of this subsection shall also apply
7 to a senior housing development that is not located within an approved planned unit
8 development, if:

9 (i) Such development is part of a mixed use development; and

10 (ii) Any portion of the mixed use development is located within 500 feet
11 of an MTA light rail station.

12 (h) Same – Other revitalization property OR STATE DESIGNATED TRANSIT
13 ORIENTED DEVELOPMENT.

14 (1) This subsection does not apply to a mobile home park or senior housing
15 development.

16 (2) The tax credit granted under this section shall equal 100% of the amount of
17 property tax imposed on the eligible assessment of a property granted a tax credit under this
18 section.

19 (i) Except as provided in subsection (h)(2) of this section, the property tax credit granted
20 under this section may not exceed the amount of the taxes assessed for the qualified
21 improvements.

1 (j) (1) Except as provided in paragraph (2), the property tax credit granted under this
2 section may not be combined with any other tax credit or payment in lieu of taxes applicable to
3 the qualified improvements.

4 (2) The property tax credit granted under this section may be combined with the
5 property tax credit granted under § 11-2-203.1. The tax credit under § 11-2-203.1 shall be
6 applied when the tax credit under this section has expired.

7 (k) (1) The tax credit provided under subsection (g) of this section shall begin with
8 the tax year beginning on July 1 following:

9 (i) The substantial completion and assessment of the improvements; or

10 (ii) The approval of a tax credit applied for as authorized under subsection
11 (c)(2) of this section.

12 (2) The tax credit provided under subsection (h) of this section shall begin, as
13 applicable:

14 (i) On July 1 following:

15 1. The substantial completion and assessment of the
16 improvements; or

17 2. The approval of a tax credit applied for as authorized under
18 subsection (c)(2) of this section; or

19 (ii) As applicable, with the first assessment under § 11-2-306, § 11-2-307,
20 or § 11-2-308 of this title following:

21 1. The substantial completion and assessment of the
22 improvements; or

