



AIA
Maryland

Promoting Maryland Architecture Since 1965

February 17, 2020

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

Re: Letter of Support for SB0978/HB0862
Historic Revitalization Tax Credit - Transferability, Funding, and Extension (Historic Revitalization Tax Credit Improvement Act of 2020)

Dear Senator Guzzone, and esteemed members of the Budget and Taxation Committee;

We are writing to offer AIA Maryland's support for House Bill 0862 to **increase the Maryland Historic Revitalization Tax Credit**. We know first-hand that this bill is an important public investment for the rehabilitation of significant historic resources throughout the state. This bill is critical for attracting private capital and would contribute to high quality development and redevelopment in our existing communities. Rehabilitation projects already face a variety of regulatory challenges and recent federal tax credit changes further increase costs. This bill will expand and contribute state tax credits to support these important projects.

AIA Maryland represents nearly 2,000 Architects in the state of Maryland. Many of our members conduct research, advocate for, and successfully work on historic tax credit projects. This funding will support these projects that contribute to the improved quality of life in our rural, suburban and urban communities. Further, it will take advantage of existing infrastructure and in turn will reduce development pressure on rural land, and areas with sensitive environmental and cultural resources.

Since the inception of the Historic Revitalization Tax Credit, our members can attest that many projects that have participated in the tax credit program are cornerstones of their communities that have not only brought those specific buildings back to life, but they have significantly contributed to reinvestment in communities. Re-using these existing buildings is one of the most sustainable paths we can choose, extending the life and value of materials already processed and assembled to serve our needs and helping to combat climate change. Many of these projects have enhanced underserved populations, whether they be for affordable housing, community centers, special needs populations or simply providing a place to learn new job skills. Additionally, many of the buildings have had a positive impact on property values which in turn enhance tax revenues.

This bill would provide an appropriation of at least \$15M, increasing in each intervening year up to \$30M in fiscal year 2025, and extend the tax credit through 2028, enabling the program to have a greater impact on Marylanders when considering an historic rehabilitation project. Our neighbors in Virginia and West Virginia presently provide \$100 million and \$30 million of historic tax credits respectively. It is time for Maryland to begin to catch up.

We encourage you to vote in favor of social, economic and cultural benefits for our residents with this legislation and encourage Maryland's continued commitment and investment in Historic Revitalization Tax Credits. Thank you for your consideration and your vote.

Sincerely

Matthew J. Ormsby, AIA
President

Laurence A. Frank, AIA
Past President, AIA Maryland

cc: Budget and Taxation Committee:
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