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Education, Energy, and
Environment Committee

Chair, Joint Committee on
Cybersecurity, Information Technology
and Biotechnology



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony in Support of SB783 - Historic Properties Disposition and Preservation Team and Extension of the Income Tax Credit for Catalytic Revitalization Projects

March 30th, 2023

Chair Atterbeary, Vice Chair Wilkins, and members of the Ways and Means Committee, thank you for your consideration of SB 783, which will enable our state to more effectively manage and redevelop large, state-owned complexes. It achieves this in two ways: first, by extending the sunset for the Catalytic Revitalization Tax Credit for an additional four years, and second, by directing the Smart Growth Subcabinet to develop a revised preservation and reuse implementation plan.

For context, in 2019, the General Assembly commissioned the Department of Planning to figure out an efficient, ongoing process for evaluating historic state properties. These are large complexes like Crownsville Hospital, Bainbridge Naval Training Center, and Springfield in my district. I have provided [a copy of that report](#) for Committee members as part of my testimony.

In 2021, the General Assembly approved a pilot program to implement the study's first recommendation – the Catalytic Revitalization Tax Credit – which provides a powerful tool for spurring private sector investment and reducing long-term government expenses. As you will see in their testimony from the Senate hearing, this credit has been immensely valuable to the redevelopment of [Warfield at Historic Sykesville](#), as well as [Fort Ritchie in Washington County](#). At the same time, the Department of Housing & Community Development began working on the second recommendation – The Historic Properties Disposition and Preservation Team. As you can see in the [2021 DHCD memo](#), this team would be charged with identifying state-owned historic complexes and developing a plan for their future preservation and disposition. This Team did not ultimately materialize under the previous administration, however, the Department of Planning and DHCD must continue their work to prevent more complex preservation and redevelopment issues in the future.

So in summary, while the issue of maintaining and redeveloping large, state-owned historic complexes is complicated and requires additional study, the bill before you does two simple things:

- 1.) Extends the Catalytic Revitalization Tax Credit with technical changes at the request of the DHCD to make it more efficient and effective, and
- 2.) Directs the Smart Growth Subcabinet to review the previous administration's work in this space and develop a revised implementation plan by December.

Colleagues, this bill is a win - for economic development, preservation and smart growth. **For these reasons, I respectfully request a favorable report on SB783.**

Sincerely,

A handwritten signature in black ink that reads "Katie Fry Hester". The signature is written in a cursive, flowing style.

Senator Katie Fry Hester
Howard & Montgomery Counties