

ORDINANCE NO. 3788

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED, "AN ORDINANCE TO ENACT A NEW SECTION 10-33 OF THE CODE OF THE CITY OF CUMBERLAND (1991 EDITION) PROVIDING A PROPERTY TAX CREDIT FOR THE REHABILITATION OF COMMERCIAL STRUCTURES IN WHICH CERTAIN QUALIFYING INVESTMENTS FOR THE ADAPTIVE REUSE OF SUCH STRUCTURES ARE MADE, TO RENUMBER CURRENT SECTIONS 10-33 TO 10-35 AND TO REPEAL AND REENACT CURRENT SECTION 10-33 (SUBJECT TO THE AFORESAID RENUMBERING) SO AS TO PROVIDE THAT THE AVAILABILITY OF THE TAX CREDIT ENACTED HEREIN IS RESTRICTED TO PROPERTY OWNERS WHO REMAIN CURRENT ON THE TAXES ASSESSED AGAINST THE PROPERTY FOR WHICH THE TAX CREDIT IS SOUGHT."

WHEREAS, Section 9-256 to the Tax-Property Article of the Annotated Code of Maryland, authorizes county and municipal governments to grant, by law, a property tax credit against the county or municipal property tax imposed on an existing commercial structure in which a qualifying investment is made for the purpose of allowing for adaptive reuse of the structure;

WHEREAS, the new law states that County and municipal governments may provide, by law, for (1) the maximum amount of the tax credit that may be provided to a single recipient or all recipients in a taxable year; (2) additional eligibility criteria for the tax credit; (3) regulations and procedures for the application and uniform processing of requests for the tax credit; and (4) any other provision necessary to carry out the tax credit; and

WHEREAS, the purpose of this Ordinance is to enact provisions which allow for a local property tax credit consistent with the foregoing.

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, that sections 10-33 to 10-35 of the Code of the City of Cumberland are hereby renumbered as sections 10-34 to 10-36.

SECTION 2: AND BE IT FURTHER ORDAINED, that a new Section 10-33 of the Code of the City of Cumberland be and is enacted, to read as follows:

Sec. 10-33. – Tax credit – Rehabilitation of commercial structures.

- (a) Pursuant to the authority contained in Md. Tax-Prop. Code Ann. § 9-256, there shall be credit against the property tax imposed on an existing commercial structure in which a qualifying investment is made for the purpose of allowing for adaptive reuse of the structure.

- (b) In this section, “qualifying investment” means the cost of installation or rehabilitation of building features for the purpose of bringing an existing commercial structure into compliance with current building codes relating to safety or accessibility. “Qualifying investment” includes costs incurred for:
 - (i) elevators;
 - (ii) fire suppression systems;
 - (iii) means of ingress or egress; or
 - (iv) architectural or engineering services related to installation or rehabilitation of these or similar building features.
- (c) The tax credit under this section may:
 - (1) not exceed 50% of the amount of qualifying investment in a structure; and
 - (2) be granted for up to a 10–year period in an equal amount each year.
- (d) The tax credit under this section shall not be available for commercial structures or parts thereof which do not comply with current building code standards if they were constructed or improved when those standards were in place. Nevertheless, it shall be available as to those portions of a commercial structure that were built before such standards became effective.
- (e) A qualifying investment of no less than \$25,000.00 is required in order to be eligible for the tax credit provided for herein.

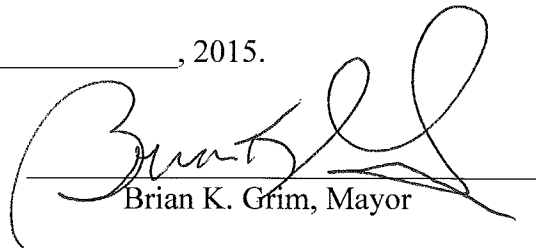
SECTION 3: AND BE IT FURTHER ORDAINED, that former section 10-33 (now renumbered section 10-34 is hereby repealed and reenacted to read as follows:

Sec. 10-34. - Eligibility for real property tax credit—Condition.

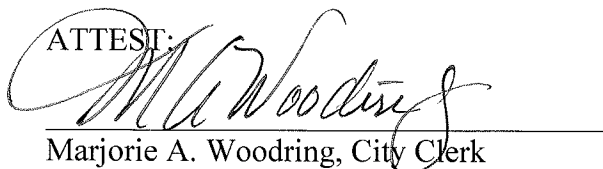
In order to be otherwise eligible for a real property tax credit provided for in sections 10-28 through 10-33 of this Code, a property owner must remain current in any taxes assessed against the property for which the tax credit is sought.

SECTION 4: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect upon the date of its passage.

Passed this 4th day of August, 2015.



Brian K. Grim, Mayor

ATTEST:


Marjorie A. Woodring, City Clerk

1st reading: July 21, 2015
2nd reading: August 4, 2015
3rd reading: August 4, 2015
Passed 4-0