

Introduced	<u>10/5/16</u>
Public Hearing	<u>10/17/16</u>
Council Action	<u>12/5/16</u>
Executive Action	<u>12/19/16</u>
Effective Date	<u>2/1/17</u>

County Council of Howard County, Maryland

2016 Legislative Session

Legislative Day No. 16

Bill No. 66 -2016

Introduced by: Calvin Ball
Co-sponsored by: Jon Weinstein

AN ACT establishing a tax credit against the County property tax imposed on residential real property that has suffered flood damage or sewage damage caused by flood conditions under certain circumstances; establishing the amount, terms, conditions, and duration of the credit; providing for an application procedure and administration of the credit; and generally relating to property tax credits.

Introduced and read first time October 5, 2016. Ordered posted and hearing scheduled.

By order Jessica Feldmark
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on October 17, 2016.

Tabled 11/9/16

By order Jessica Feldmark
Jessica Feldmark, Administrator

This Bill was read the third time on December 5, 2016 and Passed , Passed with amendments , Failed .

By order Jessica Feldmark
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 7th day of December, 2016 at 5 a.m. p.m.

By order Jessica Feldmark
Jessica Feldmark, Administrator

Approved by the County Executive Dec 9, 2016

Allan H. Kittleman
Allan H. Kittleman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **WHEREAS**, beginning on July 30, 2016, severe and unusual rainfall caused intense flooding in
2 Ellicott City; and

3 **WHEREAS**, this natural disaster resulted in the loss of life and severe property damage to
4 private property and a variety of public infrastructure facilities; and

5 **WHEREAS**, the harm to property was so significant that the repair, rehabilitation, ~~restoration,~~
6 ~~and redevelopment~~ and restoration will be difficult, expensive, and time-consuming;
7 and

8 **WHEREAS**, Section 9-211 of the Tax-Property article of the Maryland Code authorizes the
9 County to grant a property tax credit on residential real property, but not personal
10 property, that “has suffered flood damage or sewage damage caused by flood
11 conditions”; and

12 **WHEREAS**, State law defines “real property” as “land or improvements to land”; and
13

14 **WHEREAS**, the County can help the private sector in its efforts to rebuild by temporarily
15 reducing or eliminating County property taxes for property owners who are reinvesting in
16 those efforts;

17 **NOW, THEREFORE,**

18 *Section 1. Be It Enacted by the County Council of Howard County, Maryland, that the Howard*
19 *County Code is amended as follows:*

20 *By adding:*

21 *Title 20. Taxes, charges and fees.*

22 *Subtitle 1. Real property tax; administration, credits, and enforcement.*

23 *Part II. Statewide tax credits.*

24 *Section 20.119B. Ellicott City Strong Tax Credit.*

25

26 **Title 20. Taxes, charges and fees.**

27 **Subtitle 1. Real property tax; administration, credits, and enforcement.**

28

29

30 **SECTION 20.119B. ELLICOTT CITY STRONG TAX CREDIT.**

1 (A) *CREDIT ESTABLISHED.*

2 IN ACCORDANCE WITH § 9-211 OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED
3 CODE OF MARYLAND AND THIS SECTION, THERE IS A HOWARD COUNTY PROPERTY TAX CREDIT
4 AGAINST THE COUNTY REAL PROPERTY TAX ON RESIDENTIAL REAL PROPERTY, BUT NOT
5 PERSONAL PROPERTY, THAT QUALIFIES UNDER THIS SECTION AS RESIDENTIAL PROPERTY
6 DAMAGED BY FLOOD CONDITIONS.

7 ~~(B) "ELLCOTT CITY HISTORIC DISTRICT" DEFINED.~~

8 ~~"ELLCOTT CITY HISTORIC DISTRICT" MEANS THE ELLCOTT CITY HISTORIC DISTRICT AS~~
9 ~~IDENTIFIED IN THE NATIONAL REGISTER OF HISTORIC PLACES.~~

10 ~~(C) (B) ELIGIBILITY.~~

11 THE OWNER OF A RESIDENTIAL PROPERTY MAY QUALIFY FOR A TAX CREDIT UNDER THIS
12 SECTION IF THE PROPERTY:

- 13 ~~(1) WAS IN THE ELLCOTT CITY HISTORIC DISTRICT; AND~~
14 ~~(2) SUFFERED FLOOD DAMAGE OR SEWAGE DAMAGE CAUSED BY FLOOD CONDITIONS ON~~
15 ~~JULY 30 OR 31, 2016.~~

16 ~~(D) (C) AMOUNT AND DURATION OF CREDIT.~~

17 (1) SUBJECT TO THE CONDITIONS IN THIS SECTION, THE TAX CREDIT MAY BE GRANTED IN
18 AN AMOUNT OF UP TO 100% OF THE COST TO REPAIR, REHABILITATE, RESTORE, OR REDEVELOP
19 OR RESTORE THE PROPERTY.

20 ~~(2) A QUALIFIED APPLICANT MAY RECEIVE THE CREDIT AUTHORIZED BY THIS SECTION~~
21 ~~FOR TAX YEARS 2017 AND 2018.~~

22 ~~(2) THE IN TAX YEARS 2017 AND 2018, THE DEPARTMENT OF FINANCE SHALL GRANT TO~~
23 ~~A QUALIFIED APPLICANT THE CREDIT AUTHORIZED BY THIS SECTION IN TAX YEAR 2017 OR 2018.~~

24 (3) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF THE CREDIT EXCEEDS THE
25 COUNTY PROPERTY TAX IN THE YEAR OF APPLICATION, THE DEPARTMENT OF FINANCE SHALL
26 APPLY THE EXCESS TO ~~THE NEXT TAX YEAR~~ FUTURE TAX YEARS FOR UP TO A TOTAL OF 4 YEARS.

27 ~~(E) (D) APPLICATION.~~

28 (1) TO RECEIVE THE CREDIT, A PROPERTY OWNER SHALL SUBMIT AN APPLICATION TO
29 THE DEPARTMENT OF FINANCE:

- 30 (I) IN THE FORMAT THAT THE DEPARTMENT OF FINANCE REQUIRES;
31 (II) THAT INCLUDES THE DOCUMENTATION THAT THE DEPARTMENT OF FINANCE
32 REQUIRES; AND

33 (III) DURING 2017 OR 2018, ON OR BEFORE THE ~~DATE~~ DATES THAT THE
34 DEPARTMENT OF FINANCE SETS.

1 (2) ONLY ONE APPLICATION FOR A CREDIT UNDER THIS SECTION MAY BE ACCEPTED FOR
2 EACH PROPERTY DURING A SINGLE TAX YEAR.

3 ~~(F)~~(E) ANNUAL LIMIT.

4 (1) DURING A FISCAL YEAR, THE TOTAL OF ALL TAX CREDITS ~~GRANTED~~ PAID TO
5 APPLICANTS UNDER THIS SECTION SHALL NOT EXCEED \$100,000-\$250,000.

6 ~~(2) CREDITS SHALL BE GRANTED~~ PAID IN THE ORDER IN WHICH THE DEPARTMENT OF
7 FINANCE RECEIVES THE COMPLETE APPLICATION UNDER SUBSECTION (E) (D) OF
8 THIS SECTION.

9 ~~(3) AN APPLICATION THAT, IF GRANTED~~ PAID, WOULD CAUSE THE LIMIT IN
10 PARAGRAPH (1) OF THIS SUBSECTION TO BE EXCEEDED, SHALL BE GRANTED PAID
11 IN THE NEXT FISCAL YEAR AND IN THE ORDER RECEIVED WITHOUT THE NEED FOR
12 AN ADDITIONAL APPLICATION.

13 ~~(2)~~ IN A YEAR WHEN THE QUALIFIED APPLICATIONS, IF PAID TO THE FULL AMOUNT
14 POSSIBLE FOR THAT YEAR BASED ON THE ANNUAL COUNTY PROPERTY TAX BILL
15 OF EACH QUALIFIED APPLICANT, WOULD EXCEED THE LIMIT SET IN PARAGRAPH
16 (1) OF THIS SUBSECTION, THE DEPARTMENT OF FINANCE SHALL PAY EACH
17 QUALIFIED APPLICANT PROPORTIONATELY BASED ON THE APPLICANT'S
18 REMAINING ELIGIBLE EXPENSES.

19 ~~(3)~~ IF A CREDIT EXCEEDS THE COUNTY PROPERTY TAX IN THE YEAR OF
20 APPLICATION, THE DEPARTMENT OF FINANCE SHALL APPLY THE EXCESS TO
21 FUTURE TAX YEARS FOR UP TO A TOTAL OF 4 YEARS.

22 ~~(G)~~(F) PUBLICITY.

23 THE DEPARTMENT OF FINANCE SHALL PUBLICIZE THE CREDIT AUTHORIZED BY THIS
24 SECTION IN A WAY DESIGNED TO INFORM THOSE MOST LIKELY TO BENEFIT FROM THE CREDIT.

25 ~~(H)~~(G) REPORT.

26 THE DEPARTMENT OF FINANCE SHALL PROVIDE A PRELIMINARY ANALYSIS TO THE
27 COUNTY COUNCIL ON OR BEFORE JUNE 30, 2017, ON USAGE OF THE ELLICOTT CITY
28 STRONG TAX CREDIT THAT INCLUDES, BUT IS NOT LIMITED TO, INFORMATION ABOUT
29 THE NUMBER OF APPLICANTS, THE DOLLAR AMOUNT OF CREDITS ALLOWED, AND THE
30 PROJECTED TIMELINE TO PAY REMAINING CREDITS. THE DEPARTMENT OF FINANCE
31 SHALL PROVIDE AN UPDATED ANALYSIS TO THE COUNTY COUNCIL ON OR BEFORE
32 JANUARY 15, 2018, ON USAGE OF THE ELLICOTT CITY STRONG TAX CREDIT THAT
33 INCLUDES, BUT IS NOT LIMITED TO, INFORMATION ABOUT THE NUMBER OF APPLICANTS,

1 THE DOLLAR AMOUNT OF CREDITS ALLOWED, AND THE PROJECTED TIMELINE TO PAY
2 REMAINING CREDITS.

3 (H) *SHORT TITLE.*

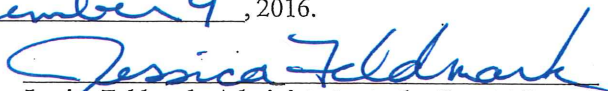
4 THE TAX CREDIT ESTABLISHED UNDER THIS SECTION MAY BE CITED AS "ELLCOTT CITY
5 STRONG TAX CREDIT".

6
7 ***Section 2. And Be It Further Enacted by the County Council of Howard County, Maryland, that***
8 *the tax credits authorized by this Act may be granted in taxable years beginning after June 30,*
9 *2016 and ending before July 1, 2018; however the tax credits may be applied to an applicant's*
10 *tax bills for up to 4 years. The Department of Finance shall set the application deadline for the*
11 *second year of the credit before the end of calendar year 2017 so that a full report on the credit*
12 *can be given to the County Council in January of 2018.*

13
14 ***Section 3. And Be It Further Enacted by the County Council of Howard County, Maryland, that***
15 *this Act shall become effective 61 days after its enactment.*

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on December 9, 2016.


Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2016.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2016.

Jessica Feldmark, Administrator to the County Council

Amendment 1 to Council Bill No. 66-2016

BY: Jon Weinstein and
Calvin Ball

Legislative Day No. 17
Date: 11/7/16

Amendment No. 1

(This amendment removes the geographic restriction as a qualification.)

1 On page 1, strike lines 29 through 31 in their entirety.

- 2
- 3 On page 2:
- 4 • in line 1, strike “(C)” and substitute “(B)”;
 - 5 • strike beginning with the colon in line 3 down through “(2)” in line 5;
 - 6 • in line 7, strike “(D)” and substitute “(C)”;
 - 7 • in line 16, strike “(E)” and substitute “(D)”;
 - 8 • in line 25, strike “(F)” and substitute “(E)”;
 - 9 • in line 29, strike “(E)” and substitute “(D)”.
- 10

- 11 On page 3:
- 12 • in line 1, strike “(G)” and substitute “(F)”;
 - 13 • in line 4, strike “(H)” and substitute “(G)”.

ADOPTED 12/5/16
FAILED
SIGNATURE Jessica Feldman

Amendment 2 to Council Bill No. 66-2016

BY: Jon Weinstein and
Calvin Ball

Legislative Day No. 17
Date: November 7, 2016

Amendment No. 2

(This amendment strikes references to “redevelop”, allows the credit for additional tax years, specifies when an application may be submitted, requires a certain report, changes the cap for the total of all credits that may be allowed, and makes clarifying changes .)

1 On page 1 beginning in line 5, strike “restoration, and redevelopment” and substitute “and
2 restoration”.

3

4 On page 2:

5 • in line 9, strike “RESTORE, OR REDEVELOP” and substitute “OR RESTORE”.

6 • strike lines 11 and 12 in their entirety and substitute:

7 “(2) THE IN TAX YEARS 2017 AND 2018, THE DEPARTMENT OF FINANCE SHALL
8 GRANT TO A QUALIFIED APPLICANT THE CREDIT AUTHORIZED BY THIS SECTION IN
9 TAX YEAR 2017 OR 2018.”.

10 • in line 15, strike “THE NEXT TAX YEAR” and substitute “FUTURE TAX YEARS FOR UP TO A
11 TOTAL OF 4 YEARS”.

12 • in line 22, after “(III)” insert “DURING 2017 OR 2018.”.

13 • in line 22, strike “DATE” and substitute “DATES”.

14 • in line 26, strike “GRANTED” and substitute “PAID TO APPLICANTS”.

15 • in line 27, strike “\$100,000” and substitute “\$250,000”.

16 • in line 28, strike “GRANTED” and substitute “PAID”.

17 • in lines 31 and 32, strike both instances of “GRANTED” and substitute “PAID”.

18

19 On page 3, in line 4 after “(H)” insert:

20 “REPORT.”

ADOPTED *as amended 12/5/16*
FAILED
SIGNATURE *Jessica Feldman*

1 THE DEPARTMENT OF FINANCE SHALL PROVIDE AN A PRELIMINARY ANALYSIS TO THE
2 COUNTY COUNCIL ON OR BEFORE ~~JUNE 29, 2018~~ JUNE 30, 2017, ON USAGE OF THE ELLICOTT
3 CITY STRONG TAX CREDIT THAT INCLUDES, BUT IS NOT LIMITED TO, INFORMATION ABOUT
4 THE NUMBER OF APPLICANTS, THE DOLLAR AMOUNT OF CREDITS ALLOWED, AND THE
5 PROJECTED TIMELINE TO PAY REMAINING CREDITS. THE DEPARTMENT OF FINANCE SHALL
6 PROVIDE AN UPDATED ANALYSIS TO THE COUNTY COUNCIL ON OR BEFORE JANUARY 15, 2018,
7 ON USAGE OF THE ELLICOTT CITY STRONG TAX CREDIT THAT INCLUDES, BUT IS NOT LIMITED TO,
8 INFORMATION ABOUT THE NUMBER OF APPLICANTS, THE DOLLAR AMOUNT OF CREDITS
9 ALLOWED, AND THE PROJECTED TIMELINE TO PAY REMAINING CREDITS.

10 (1)”

11
12 Also on page 3, in line 10, after “2018” insert “: however the tax credits may be applied to an
13 applicant’s tax bills for up to 4 years. The Department of Finance shall set the application deadline
14 for the second year of the credit before the end of calendar year 2017 so that a full report on the
15 credit can be given to the County Council in January of 2018”.

Amendment 1 to Amendment 2 to Council Bill 66-2016

BY: Greg Fox

Legislative Day No. 19

Date: 12/5/16

Amendment No. 1

(This amendment adds a requirement for preliminary analysis, clarifies some language, and requires the Department of Finance to set the application deadline for the 2nd year of the credit before the end of calendar year 2017 so that a full report on the credit can be given to the Council in January of 2018.)

1 On the first page:

- 2 • In line 7, strike the first “THE” and substitute: “IN TAX YEARS 2017 AND 2018, THE”.
- 3 • In line 8, strike “IN TAX YEAR 2017 OR 2018”.
- 4 • In line 9, after “UP TO” insert “A TOTAL OF”.
- 5 • In line 11, strike “OR 2018”.
- 6 • After line 11, insert “in line 22, strike “DATE” and substitute “DATES”.”.
- 7 • In line 19, strike “an” and substitute “A PRELIMINARY”.
- 8 • In line 20, strike “JUNE 29, 2018” and substitute “JUNE 30, 2017”.
- 9

10 On the second page:

- 11 • At the end of line 2, insert: “THE DEPARTMENT OF FINANCE SHALL PROVIDE AN UPDATED
- 12 ANALYSIS TO THE COUNTY COUNCIL ON OR BEFORE JANUARY 15, 2018, ON USAGE OF THE
- 13 ELLCOTT CITY STRONG TAX CREDIT THAT INCLUDES, BUT IS NOT LIMITED TO, INFORMATION
- 14 ABOUT THE NUMBER OF APPLICANTS, THE DOLLAR AMOUNT OF CREDITS ALLOWED, AND THE
- 15 PROJECTED TIMELINE TO PAY REMAINING CREDITS.”.
- 16 • At the end of the page, before the last quotation mark, insert: “. The Department of Finance shall
- 17 set the application deadline for the second year of the credit before the end of calendar year 2017

- 1
- 2
- 3
- 4

so that a full report on the credit can be given to the County Council in January of 2018.

12/5/16
APPROVED
FILED
SIGNATURE James Feldman

Amendment 2 to Council Bill No. 66-2016

BY: Jon Weinstein and
Calvin Ball

Legislative Day No. 17
Date: 11/2/16

Amendment No. 2

(This amendment strikes references to "redevelop", allows the credit for additional tax years, specifies when an application may be submitted, requires a certain report, changes the cap for the total of all credits that may be allowed, and makes clarifying changes.)

1 On page 1 beginning in line 5, strike "restoration, and redevelopment" and substitute "and
2 restoration".

3
4 On page 2:

- 5 • in line 9, strike "RESTORE, OR REDEVELOP" and substitute "OR RESTORE".
6 • strike lines 11 and 12 in their entirety and substitute:

7 "(2) THE DEPARTMENT OF FINANCE SHALL GRANT TO A QUALIFIED APPLICANT THE
8 CREDIT AUTHORIZED BY THIS SECTION IN TAX YEAR 2017 OR 2018.".

- 9 • in line 15, strike "THE NEXT TAX YEAR" and substitute "FUTURE TAX YEARS FOR UP TO 4
10 YEARS".
11 • in line 22, after "(iii)" insert "DURING 2017 OR 2018.".
12 • in line 26, strike "GRANTED" and substitute "PAID TO APPLICANTS".
13 • in line 27, strike "\$100,000" and substitute "\$250,000".
14 • in line 28, strike "GRANTED" and substitute "PAID".
15 • in lines 31 and 32, strike both instances of "GRANTED" and substitute "PAID".

16
17 On page 3, in line 4 after "(H)" insert:

18 "REPORT.

19 THE DEPARTMENT OF FINANCE SHALL PROVIDE AN ANALYSIS TO THE COUNTY
20 COUNCIL ON OR BEFORE JUNE 29, 2018, ON USAGE OF THE ELLICOTT CITY STRONG TAX
21 CREDIT THAT INCLUDES, BUT IS NOT LIMITED TO, INFORMATION ABOUT THE NUMBER OF



1 APPLICANTS, THE DOLLAR AMOUNT OF CREDITS ALLOWED, AND THE PROJECTED TIMELINE
2 TO PAY REMAINING CREDITS.

3 (I)”

4
5 Also on page 3, in line 10, after “2018” insert “; however the tax credits may be applied to an
6 applicant’s tax bills for up to 4 years”.



Amendment 4 to Council Bill No. 66-2016

BY: Greg Fox

Legislative Day No. 19
Date: December 5, 2016

Amendment No. 4

(This amendment sets out the State enabling authority and provides for proportional allocation of credits whenever the annual cap is met.)

1 On page 1, after line 6, insert:

2 “WHEREAS, Section 9-211 of the Tax-Property article of the Maryland Code authorizes the County to
3 grant a property tax credit on residential real property, but not personal property, that “has
4 suffered flood damage or sewage damage caused by flood conditions”; and
5 WHEREAS, State law defines “real property” as “land or improvements to land.”; and”.

6
7 On page 1; in line 27, after “RESIDENTIAL” insert “REAL PROPERTY, BUT NOT PERSONAL” and
8 insert a comma before “THAT”.

9
10 On page 2, strike lines 28 through 34 in their entirety and substitute:

11 “(2) IN A YEAR WHEN THE QUALIFIED APPLICATIONS, IF PAID TO THE FULL AMOUNT
12 POSSIBLE FOR THAT YEAR BASED ON THE ANNUAL COUNTY PROPERTY TAX BILL OF EACH
13 QUALIFIED APPLICANT, WOULD EXCEED THE LIMIT SET IN PARAGRAPH (1) OF THIS
14 SUBSECTION, THE DEPARTMENT OF FINANCE SHALL PAY EACH QUALIFIED APPLICANT
15 PROPORTIONATELY BASED ON THE APPLICANT’S REMAINING ELIGIBLE EXPENSES.

16 (3) IF A CREDIT EXCEEDS THE COUNTY PROPERTY TAX IN THE YEAR OF APPLICATION,
17 THE DEPARTMENT OF FINANCE SHALL APPLY THE EXCESS TO FUTURE TAX YEARS FOR UP TO
18 A TOTAL OF 4 YEARS.”.

ADOPTED 12/5/16
FAILED _____
SIGNATURE Jessica Feldman

Amendment 3 to Council Bill No. 66-2016

BY: The Chairperson at the
request of the County Executive

Legislative Day No. 17
Date: November 7, 2016

Amendment No. 3

(This amendment clarifies that the tax year limitation applies to the acceptance of applications versus receipt of the credit. This amendment also provides that credits "paid" during a fiscal year cannot exceed a certain amount. These changes allow credits to be paid beyond tax years 17 and 18.)

1 On page 2, in line 11, strike "RECEIVE" and substitute "APPLY FOR".

2

3 On page 2, in line 26, strike "GRANTED" and substitute "PAID".

4

5 On page 2, in line 31, strike "GRANTED" and substitute "PAID".

6

7 On page 2, in line 32, strike "GRANTED" and substitute "PAID".

ADOPTED
FAILED *not introduced*
SIGNATURE *James Aldrich*

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council of Howard County, Maryland

2016 Legislative Session

Legislative Day No. 16

Bill No. 666-2016

Introduced by: Calvin Ball
Co-sponsored by: Jon Weinstein

AN ACT establishing a tax credit against the County property tax imposed on residential real property that has suffered flood damage or sewage damage caused by flood conditions under certain circumstances; establishing the amount, terms, conditions, and duration of the credit; providing for an application procedure and administration of the credit; and generally relating to property tax credits.

Introduced and read first time _____, 2016. Ordered posted and hearing scheduled.

By order _____
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2016.

By order _____
Jessica Feldmark, Administrator

This Bill was read the third time on _____, 2016 and Passed ____, Passed with amendments ____, Failed ____.

By order _____
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for approval this _____ day of _____, 2016 at ___ a.m./p.m.

By order _____
Jessica Feldmark, Administrator

Approved by the County Executive _____, 2016

Allan H. Kittleman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.



1 **WHEREAS**, beginning on July 30, 2016, severe and unusual rainfall caused intense flooding in
2 Ellicott City; and

3 **WHEREAS**, this natural disaster resulted in the loss of life and severe property damage to
4 private property and a variety of public infrastructure facilities; and

5 **WHEREAS**, the harm to property was so significant that the repair, rehabilitation, restoration,
6 and redevelopment will be difficult, expensive, and time-consuming; and

7 **WHEREAS**, the County can help the private sector in its efforts to rebuild by temporarily
8 reducing or eliminating County property taxes for property owners who are reinvesting in
9 those efforts;

10 **NOW, THEREFORE,**

11 *Section 1. Be It Enacted by the County Council of Howard County, Maryland, that the Howard*
12 *County Code is amended as follows:*

13 *By adding:*

14 *Title 20. Taxes, charges and fees.*

15 *Subtitle 1. Real property tax; administration, credits, and enforcement.*

16 *Part II. Statewide tax credits.*

17 *Section 20.119B. Ellicott City Strong Tax Credit.*

18

19 **Title 20. Taxes, charges and fees.**

20 **Subtitle 1. Real property tax; administration, credits, and enforcement.**

21 **Part II. Statewide tax credits.**

22

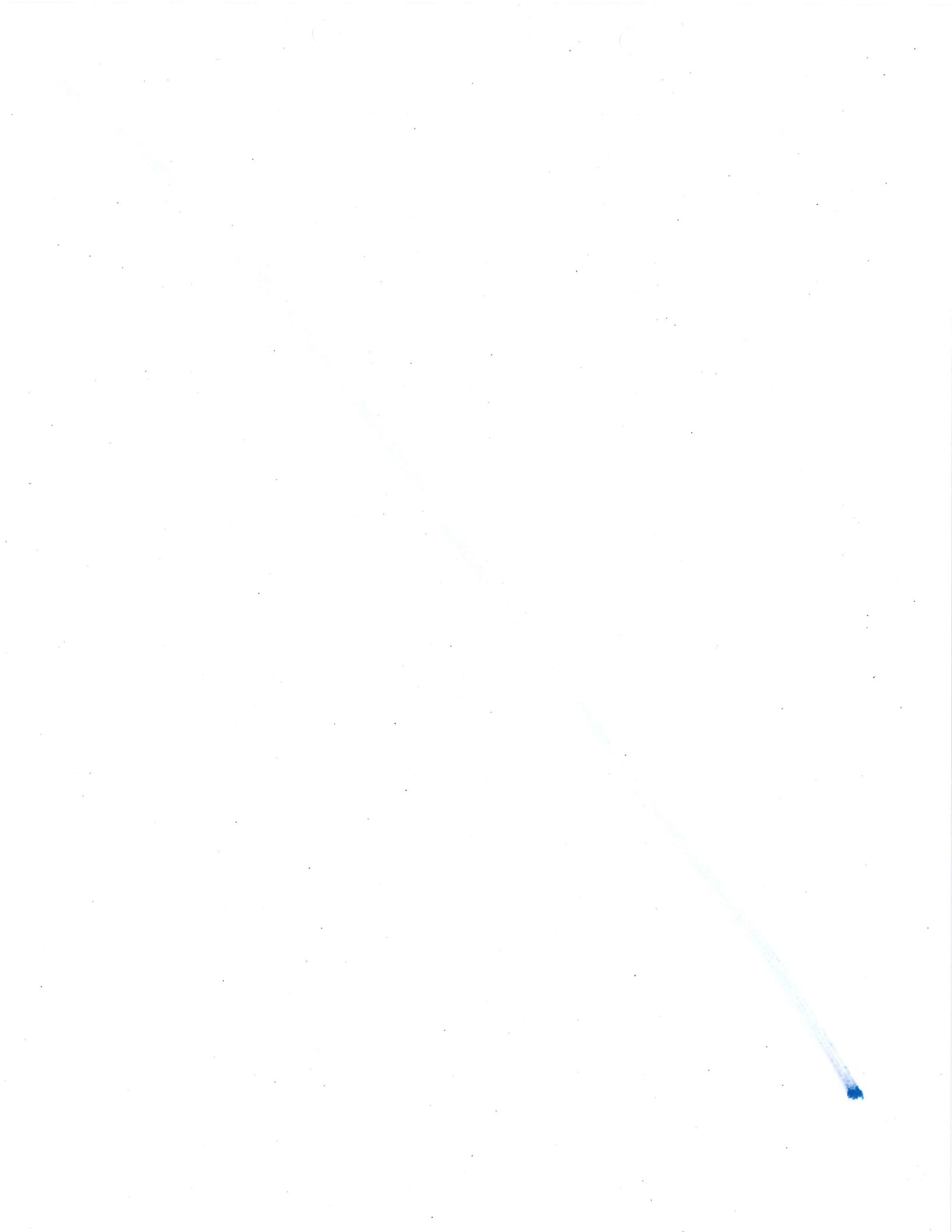
23 **SECTION 20.119B. ELLICOTT CITY STRONG TAX CREDIT.**

24 (A) *CREDIT ESTABLISHED.*

25 IN ACCORDANCE WITH § 9-211 OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED
26 CODE OF MARYLAND AND THIS SECTION, THERE IS A HOWARD COUNTY PROPERTY TAX CREDIT
27 AGAINST THE COUNTY REAL PROPERTY TAX ON RESIDENTIAL PROPERTY THAT QUALIFIES UNDER
28 THIS SECTION AS RESIDENTIAL PROPERTY DAMAGED BY FLOOD CONDITIONS.

29 (B) "ELLICOTT CITY HISTORIC DISTRICT" *DEFINED.*

30 "ELLICOTT CITY HISTORIC DISTRICT" MEANS THE ELLICOTT CITY HISTORIC DISTRICT AS
31 IDENTIFIED IN THE NATIONAL REGISTER OF HISTORIC PLACES.



1 (C) *ELIGIBILITY.*

2 THE OWNER OF A RESIDENTIAL PROPERTY MAY QUALIFY FOR A TAX CREDIT UNDER THIS
3 SECTION IF THE PROPERTY:

- 4 (1) WAS IN THE ELLICOTT CITY HISTORIC DISTRICT; AND
5 (2) SUFFERED FLOOD DAMAGE OR SEWAGE DAMAGE CAUSED BY FLOOD CONDITIONS ON
6 JULY 30 OR 31, 2016.

7 (D) *AMOUNT AND DURATION OF CREDIT.*

8 (1) SUBJECT TO THE CONDITIONS IN THIS SECTION, THE TAX CREDIT MAY BE GRANTED IN
9 AN AMOUNT OF UP TO 100% OF THE COST TO REPAIR, REHABILITATE, RESTORE, OR REDEVELOP
10 THE PROPERTY.

11 (2) A QUALIFIED APPLICANT MAY RECEIVE THE CREDIT AUTHORIZED BY THIS SECTION
12 FOR TAX YEARS 2017 AND 2018.

13 (3) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IF THE CREDIT EXCEEDS THE
14 COUNTY PROPERTY TAX IN THE YEAR OF APPLICATION, THE DEPARTMENT OF FINANCE SHALL
15 APPLY THE EXCESS TO THE NEXT TAX YEAR.

16 (E) *APPLICATION.*

17 (1) TO RECEIVE THE CREDIT, A PROPERTY OWNER SHALL SUBMIT AN APPLICATION TO
18 THE DEPARTMENT OF FINANCE:

- 19 (I) IN THE FORMAT THAT THE DEPARTMENT OF FINANCE REQUIRES;
20 (II) THAT INCLUDES THE DOCUMENTATION THAT THE DEPARTMENT OF FINANCE
21 REQUIRES; AND
22 (III) ON OR BEFORE THE DATE THAT THE DEPARTMENT OF FINANCE SETS.

23 (2) ONLY ONE APPLICATION FOR A CREDIT UNDER THIS SECTION MAY BE ACCEPTED FOR
24 EACH PROPERTY DURING A SINGLE TAX YEAR.

25 (F) *ANNUAL LIMIT.*

26 (1) DURING A FISCAL YEAR, THE TOTAL OF ALL TAX CREDITS GRANTED UNDER THIS
27 SECTION SHALL NOT EXCEED \$100,000.

28 (2) CREDITS SHALL BE GRANTED IN THE ORDER IN WHICH THE DEPARTMENT OF
29 FINANCE RECEIVES THE COMPLETE APPLICATION UNDER SUBSECTION (E) OF THIS
30 SECTION.

31 (3) AN APPLICATION THAT, IF GRANTED, WOULD CAUSE THE LIMIT IN PARAGRAPH
32 (1) OF THIS SUBSECTION TO BE EXCEEDED, SHALL BE GRANTED IN THE NEXT
33 FISCAL YEAR AND IN THE ORDER RECEIVED WITHOUT THE NEED FOR AN
34 ADDITIONAL APPLICATION.



1 (G) *PUBLICITY.*

2 THE DEPARTMENT OF FINANCE SHALL PUBLICIZE THE CREDIT AUTHORIZED BY THIS
3 SECTION IN A WAY DESIGNED TO INFORM THOSE MOST LIKELY TO BENEFIT FROM THE CREDIT.

4 (H) *SHORT TITLE.*

5 THE TAX CREDIT ESTABLISHED UNDER THIS SECTION MAY BE CITED AS "ELLICOTT CITY
6 STRONG TAX CREDIT".

7

8 *Section 2. And Be It Further Enacted by the County Council of Howard County, Maryland, that*
9 *the tax credits authorized by this Act may be granted in taxable years beginning after June 30,*
10 *2016 and ending before July 1, 2018.*

11

12 *Section 3. And Be It Further Enacted by the County Council of Howard County, Maryland, that*
13 *this Act shall become effective 61 days after its enactment.*



Amendment 1 to Council Bill No. 66-2016

BY: Jon Weinstein and
Calvin Ball

Legislative Day No. 17
Date: 11/7/16

Amendment No. 1

(This amendment removes the geographic restriction as a qualification.)

1 On page 1, strike lines 29 through 31 in their entirety.

2

3 On page 2:

- 4 • in line 1, strike “(C)” and substitute “(B)”;
- 5 • strike beginning with the colon in line 3 down through “(2)” in line 5;
- 6 • in line 7, strike “(D)” and substitute “(C)”;
- 7 • in line 16, strike “(E)” and substitute “(D)”;
- 8 • in line 25, strike “(F)” and substitute “(E)”;
- 9 • in line 29, strike “(E)” and substitute “(D)”.

10

11 On page 3:

- 12 • in line 1, strike “(G)” and substitute “(F)”;
- 13 • in line 4, strike “(H)” and substitute “(G)”.

Amendment 1 to Amendment 2 to Council Bill 66-2016

BY: Greg Fox

Legislative Day No. 19
Date: 12/5/16

Amendment No. 1

(This amendment adds a requirement for preliminary analysis, clarifies some language, and requires the Department of Finance to set the application deadline for the 2nd year of the credit before the end of calendar year 2017 so that a full report on the credit can be given to the Council in January of 2018.)

1 On the first page:

- 2 • In line 7, strike the first "THE" and substitute: "IN TAX YEARS 2017 AND 2018, THE".
- 3 • In line 8, strike "IN TAX YEAR 2017 OR 2018".
- 4 • In line 9, after "UP TO" insert "A TOTAL OF".
- 5 • In line 11, strike "OR 2018".
- 6 • After line 11, insert "in line 22, strike "DATE" and substitute "DATES".".
- 7 • In line 19, strike "an" and substitute "A PRELIMINARY".
- 8 • In line 20, strike "JUNE 29, 2018" and substitute "JUNE 30, 2017".
- 9

10 On the second page:

- 11 • At the end of line 2, insert: "THE DEPARTMENT OF FINANCE SHALL PROVIDE AN UPDATED
- 12 ANALYSIS TO THE COUNTY COUNCIL ON OR BEFORE JANUARY 15, 2018, ON USAGE OF THE
- 13 ELLCOTT CITY STRONG TAX CREDIT THAT INCLUDES, BUT IS NOT LIMITED TO, INFORMATION
- 14 ABOUT THE NUMBER OF APPLICANTS, THE DOLLAR AMOUNT OF CREDITS ALLOWED, AND THE
- 15 PROJECTED TIMELINE TO PAY REMAINING CREDITS.".
- 16 • At the end of the page, before the last quotation mark, insert: "The Department of Finance shall
- 17 set the application deadline for the second year of the credit before the end of calendar year 2017

1 so that a full report on the credit can be given to the County Council in January of 2018?

2

3

4

Amendment 2 to Council Bill No. 66-2016

BY: Jon Weinstein and
Calvin Ball

Legislative Day No. 17
Date: 11/7/16

Amendment No. 2

(This amendment strikes references to “redevelop”, allows the credit for additional tax years, specifies when an application may be submitted, requires a certain report, changes the cap for the total of all credits that may be allowed, and makes clarifying changes.)

1 On page 1 beginning in line 5, strike “restoration, and redevelopment” and substitute “and
2 restoration”.

3
4 On page 2:

- 5 • in line 9, strike “RESTORE, OR REDEVELOP” and substitute “OR RESTORE”.
- 6 • strike lines 11 and 12 in their entirety and substitute:

7 “(2) THE DEPARTMENT OF FINANCE SHALL GRANT TO A QUALIFIED APPLICANT THE
8 CREDIT AUTHORIZED BY THIS SECTION IN TAX YEAR 2017 OR 2018.”.

- 9 • in line 15, strike “THE NEXT TAX YEAR” and substitute “FUTURE TAX YEARS FOR UP TO 4
10 YEARS”.
- 11 • in line 22, after “(III)” insert “DURING 2017 OR 2018.”.
- 12 • in line 26, strike “GRANTED” and substitute “PAID TO APPLICANTS”.
- 13 • in line 27, strike “\$100,000” and substitute “\$250,000”.
- 14 • in line 28, strike “GRANTED” and substitute “PAID”.
- 15 • in lines 31 and 32, strike both instances of “GRANTED” and substitute “PAID”.

16
17 On page 3, in line 4 after “(H)” insert:

18 “REPORT.”

19 THE DEPARTMENT OF FINANCE SHALL PROVIDE AN ANALYSIS TO THE COUNTY
20 COUNCIL ON OR BEFORE JUNE 29, 2018, ON USAGE OF THE ELLICOTT CITY STRONG TAX
21 CREDIT THAT INCLUDES, BUT IS NOT LIMITED TO, INFORMATION ABOUT THE NUMBER OF

1 APPLICANTS, THE DOLLAR AMOUNT OF CREDITS ALLOWED, AND THE PROJECTED TIMELINE
2 TO PAY REMAINING CREDITS.

3 (I)”

4
5 Also on page 3, in line 10, after “2018” insert “; however the tax credits may be applied to an
6 applicant’s tax bills for up to 4 years”.

Amendment 3 to Council Bill No. 66-2016

BY: The Chairperson at the
request of the County Executive

Legislative Day No. 17
Date: November 7, 2016

Amendment No. 3

(This amendment clarifies that the tax year limitation applies to the acceptance of applications versus receipt of the credit. This amendment also provides that credits "paid" during a fiscal year cannot exceed a certain amount. These changes allow credits to be paid beyond tax years 17 and 18.)

1 On page 2, in line 11, strike "RECEIVE" and substitute "APPLY FOR".

2

3 On page 2, in line 26, strike "GRANTED" and substitute "PAID".

4

5 On page 2, in line 31, strike "GRANTED" and substitute "PAID".

6

7 On page 2, in line 32, strike "GRANTED" and substitute "PAID".

Amendment 4 to Council Bill No. 66-2016

BY: Greg Fox

Legislative Day No. 19
Date: December 5, 2016

Amendment No. 4

(This amendment sets out the State enabling authority and provides for proportional allocation of credits whenever the annual cap is met.)

1 On page 1, after line 6, insert:

2 “WHEREAS, Section 9-211 of the Tax-Property article of the Maryland Code authorizes the County to
3 grant a property tax credit on residential real property, but not personal property, that “has
4 suffered flood damage or sewage damage caused by flood conditions”; and

5 WHEREAS, State law defines “real property” as “land or improvements to land.”; and”
6

7 On page 1; in line 27, after “RESIDENTIAL” insert “REAL PROPERTY, BUT NOT PERSONAL” and
8 insert a comma before “THAT”.

9
10 On page 2, strike lines 28 through 34 in their entirety and substitute:

11 “(2) IN A YEAR WHEN THE QUALIFIED APPLICATIONS, IF PAID TO THE FULL AMOUNT
12 POSSIBLE FOR THAT YEAR BASED ON THE ANNUAL COUNTY PROPERTY TAX BILL OF EACH
13 QUALIFIED APPLICANT, WOULD EXCEED THE LIMIT SET IN PARAGRAPH (1) OF THIS
14 SUBSECTION, THE DEPARTMENT OF FINANCE SHALL PAY EACH QUALIFIED APPLICANT
15 PROPORTIONATELY BASED ON THE APPLICANT’S REMAINING ELIGIBLE EXPENSES.

16 (3) IF A CREDIT EXCEEDS THE COUNTY PROPERTY TAX IN THE YEAR OF APPLICATION,
17 THE DEPARTMENT OF FINANCE SHALL APPLY THE EXCESS TO FUTURE TAX YEARS FOR UP TO
18 A TOTAL OF 4 YEARS.”

COUNCIL BILL 66 Establishing Tax Credit

October 17, 2016

My name is Fred Dorsey and I live at 10774 Judy Lane, Columbia. I am President of Preservation Howard County.

I appreciate the work you, Dr. Ball and Jon Weinstein, have done to create CB 66. I support the intent of CB 66 in recognizing the need of providing financial relief to residential property owners affected by the storm of July 30, 2016. This storm delivered a massive amount of water and those in its path have suffered damages far beyond other storm waters.

But there is a concern as to the use of the Ellicott City Historic District to identify those property owners who would be eligible. This boundary restricts so many residential property owners beyond the boundary who have been affected by the same storm water excluding such as communities of Valley Meade and St. Johns among others.

There is a concern the Department of Finance has the knowledge to evaluate the requested repairs adhering to the Ellicott City District Design Guideline insuring the integrity of Main Street buildings.

Another concern is about the property owner's application, the required information, how the requested work and its expense stated in the application will be validated.

Finally, a concern in using the word "redevelop" related to the Historic District and how it could be freely interpreted. Will fees and/or charges associated with permits and licenses be waived?

I ask that these concerns and possibly others expressed in this hearing would be considered in a Work Session that could result in amendments to strengthen this bill.

I appreciate the time to express these concerns and would be available for a Work Session.

October 17,2016

Re: CB 66-2016
Tax Credit: flood damaged residential properties

Chairman Ball and members of the County Council:

Council Bill 66 is in need of amendments but the essential intent which is to provide County tax credit to residential property owners impacted by the floods of July 30 2016 should be supported. I appreciate the work of the sponsors of the legislation Chairman Ball and Councilmember Weinstein.


An addition to the area covered by the legislation should be the Ellicott City Sustainable Community defined area (pgs 1&2 lines 29-6). This designated area includes properties outside of the Historic District and properties impacted by the July 30 2016 event. (Map attached)

Proposed amendments include: the tax credit years, which should include tax years 2017, 2018 and 2019. (pg 2 line 12) and deletion of the word redevelop on line 9 page 1.

The proposed Annual Limit needs to be clarified to reflect it is up to \$100,000 per residential credit. As many of us who read the legislation interpreted the \$100,000 it was the total available for each tax year. (Pg 2 lines 26 and 27)

The Department of Finance needs to coordinate with the Department of Planning and the Preservation Commission regarding documentation for eligibility of the credit and that work was completed. This will also help the applicant who has submit information to these entities for other eligible tax credits.

Thank you for your attention.



Grace Kubofcik
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