ORDINANCE:
TO AMEND THE CODE OF
THE CITY OF HAGERSTOWN CHAPTER 223,
ENTITLED TAXATION TO
CREATE PROPERTY TAX CREDITS
FOR HIGH PERFORMANCE BUILDINGS.

WHEREAS, Section 9-242 of the Maryland Code provides a local option to allow local governments to grant a tax exemption for High Performance Buildings.

WHEREAS, the City of Hagerstown wishes to amend Article IV of the City Code to allow exemptions on property tax for renovations and new construction of commercial and industrial buildings that achieves at least a LEED silver certification, thus considered High Performance Buildings by the State of Maryland.

NOW THEREFORE, BE IT RESOLVED by the Mayor and City Council as the duly constituted legislative body of the City of Hagerstown, Maryland that:

Chapter 223, Article IV. Property Tax, of the Code of the City of Hagerstown is hereby amended by adding “Section 223-15. High Performance Buildings Tax Credit (Green Buildings)” to read as follows:

Article IV. Property Tax

Sec. 223-15. High Performance Buildings Tax Credit (Green Buildings)

A. In this section, the following terms have the meanings indicated:

(1) “High Performance Building” means a building that achieves at least a silver rating according to the U.S. Green Building Council’s LEED (Leadership in Energy and Environmental Design) green building rating system as adopted by the Maryland Green Building Council.

(2) “LEED Green Building Rating System” means the Leadership in Energy and Environment Design rating system of the U.S. Green Building Council, as may be adopted and amended.

B. In accordance with Section 9-242 of the Tax-Property Article of the Annotated Code of Maryland, the Director of Finance shall allow a tax credit to the taxpayer against the City property tax imposed on a high performance building.

C. A tax credit granted under this section applies for three (3) years.

D. A tax credit for a qualifying project commences on July 1st of the tax year following completion of the construction project to achieve high performance building status.
E. The Director of Finance shall allow a tax credit against the increase in property tax, resulting from the property tax assessment increase, imposed on a high performance building, as follows:

(1) LEED Certified Silver – 20%
(2) LEED Certified Gold – 25%
(3) LEED Certified Platinum – 30%

F. A property tax credit granted under this section shall terminate if during the credit period, the Director of Finance finds that the property has been altered so that it no longer complies with the LEED rating system, version and level that was the basis for granting the credit at the time the credit was granted.

G. A property owner may not receive more than one City property tax credit per building.

H. A tax credit granted under this section runs with the property and a change in ownership does not result in a lapse of the tax credit.

I. The Director of Finance may adopt guidelines, regulations, or procedures to administer this section.

BE IT FURTHER RESOLVED, ENACTED AND ORDAINED that this Ordinance shall be introduced at a regular meeting of the Council and adopted not less than six days following introduction at a regular or special meeting of the Council and that the effective date shall be upon the expiration of thirty (30) days following its approval.

WITNESS AND ATTEST
AS TO CORPORATE SEAL

[Signature]
Donna Spicker, City Clerk

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

[Signature]
Robert E. Bruchey, II, Mayor

DATE OF INTRODUCTION: February 24, 2009
DATE OF PASSAGE: March 31, 2009
EFFECTIVE DATE: April 30, 2009