

## MARYLAND DEPARTMENT OF PLANNING

### MARYLAND HISTORICAL TRUST

# MARYLAND SUSTAINABLE COMMUNITIES REHABILITATION TAX CREDIT PROGRAM

## COMMERCIAL APPLICATION\* INSTRUCTIONS

*\* A commercial rehabilitation is defined as rehabilitation of any structure other than a single-family, owner-occupied residence.*

This application is to be filled out in accordance with State Finance and Procurement Article Title 5A, Subtitle 3, of the Annotated Code of Maryland, the regulations set forth in Code of Maryland Regulations Title 34, Subtitle 04, Chapter 07, and the instructions below. The Maryland Historical Trust's approval of applications and amendments to applications is made **only in writing** by duly authorized officials of the Trust. The decision by the Maryland Historical Trust with respect to certification is made on the basis of the information in this application form. In the event of any discrepancy between this application form and other, supplementary material submitted with this application (such as architectural plans, photographs, drawings, and specifications), this application form shall control. Photographs, CD-Rs, architectural plans, drawings, and other materials submitted with this application become the property of the Maryland Historical Trust and may be reproduced by it without permission.

***Read the following instructions carefully before filling out the attached application. If you are filling out a hard copy of the application, please type or print clearly. Illegible applications will be returned to the applicant. In cases where adequate documentation is not provided, review and evaluation cannot be completed, resulting in denial of the requested certification.***

## REHABILITATION TAX CREDIT CERTIFICATIONS

State income tax credits/refunds are available for an eligible project that is determined by the Director of the Maryland Historical Trust to be a certified rehabilitation of a Certified Historic Structure or a Qualified Rehabilitated Structure.

*A Certified Historic Structure is any structure not owned by the State of Maryland, a political subdivision of the State, or the Federal government that by the end of the calendar year in which a certified rehabilitation is completed is:*

- Individually listed in the National Register of Historic Places; or
- Individually designated as a historic property under local law and that MHT determines to be eligible for listing in the National Register; or
- Located in an historic district listed in the National Register of Historic Places, or designated under local law and MHT determines to be eligible for National Register listing, and certified by the Director of the Maryland Historical Trust as contributing to the significance of the district; or
- Located in a certified heritage area and certified by the Maryland Heritage Areas Authority as contributing to the significance of the heritage area.

*A Qualified Rehabilitated Structure is:*

- A rehabilitation of a commercial structure that the Director of the Maryland Historical Trust has determined : 1) is located within a Sustainable Community, a Main Street Maryland Community, or a Baltimore City Main Street Community, 2) is not a Certified Historic Structure, 3) if the non-historic structure is located in a National Register or locally designated historic district, the exterior work must be completed in conformance with the **Secretary of the Interior's Standards for Rehabilitation**, and 4) 50% or more of the existing exterior walls are retained in place as exterior walls, 75% or more of the existing exterior walls are retained in place as either interior or exterior walls, and 75% or more of the interior structural framework are retained in place.

*A certified rehabilitation is:*

- Any rehabilitation of a Certified Historic Structure which the Director of the Maryland Historical Trust has certified: 1) was completed in conformance with the **Secretary of the Interior's Standards for Rehabilitation**, and 2) the qualified rehabilitation expenditures during a 24-month period ending in the taxable year in which the rehabilitation was completed exceeded the greater of \$25,000 or the adjusted basis of the structure.
- Any rehabilitation of a Qualified Rehabilitated Structure for which the Director of the Maryland Historical Trust has certified that the qualified rehabilitation expenditures during a 24-month period ending in the taxable year in which the rehabilitation was completed exceeded the greater of \$25,000 or 50% of the adjusted basis of the structure.

Qualified rehabilitation expenditures are expenditures: 1) chargeable to a capital account, 2) expended in compliance with a plan of proposed rehabilitation that has been approved by the Director, and 3) not funded, financed, or reimbursed by State or local grants (including grants from tax-exempt bond proceeds), State tax credits, or other

State or local financial assistance (other than a loan at an interest rate greater than the interest rate on the latest issuance of State general obligation bonds).

## GENERAL NOTES

To qualify for the tax credits/refunds, property owners must complete the appropriate parts of the **Rehabilitation Tax Credit Application** form. **Original signature copies** of completed applications (photocopies will be returned to applicant) and all attachments must be mailed to the **Director of the Maryland Historical Trust, 100 Community Place, Crownsville, Maryland 21032.**

**Notification as to approval or denial of certification will be made in writing by the Maryland Historical Trust. A copy of each approved and certified application, Part 3, is provided to the Comptroller of the Treasury.**

Additional copies of this application form may be obtained on the Trust's web site, <http://mht.maryland.gov>, or by contacting the Maryland Historical Trust's **Office of Preservation Services** at the address listed at the end of these instructions.

## Filling out the application online.

This application may be filled out online if you choose the MS Word Document. **From the "Commercial Application" section of the tax credit webpage, click on "FY 2014 Commercial Application." Save the Application form to your computer. The Application may now be filled out on screen.** Use the Tab button to move between fields. If your computer's operating system does not support MS Word, you may download the Adobe PDF file and fill out the application by hand. **Applications and Amendments may not be submitted by e-mail. They must be mailed. Original signatures and photographs are required.**

## PART 1 - REQUEST FOR CERTIFICATION

The Certification of Significance Application - Part 1 - is used to certify that a structure is, or is not, a Historic Property for purposes of determining eligibility as a Certified Historic Structure or Qualified Rehabilitated Structure as follows:

- to request certification of a structure as contributing to the significance of a National Register listed historic district or a locally designated historic district determined by the Director of the Maryland Historical Trust as eligible for listing in the National Register;
- to request certification of a structure that has been individually designated as historic under local law and which the Director of MHT has determined to be eligible for listing in the National Register;
- to provide the Maryland Historical Trust notice that a structure has been or will be nominated for National Register listing or local designation (proof of final listing or designation must be provided with submission of the Part 3 Application form).
- to request certification by the Maryland Heritage Areas Authority that a structure located in a Certified Heritage Area contributes to the significance of the Certified Heritage Area; or

- ❑ To request a determination from the Maryland Historical Trust that the structure is located in a Main Street Maryland Community but is not individually designated as historic, does not contribute to the significance of either a National Register historic district or local historic district, and does not contribute to the significance of a Certified Heritage Area.
- ❑ To request a determination from the Maryland Historical Trust that the structure is located in a Sustainable Community but is not individually designated as historic, does not contribute to the significance of either a National Register historic district or local historic district, and does not contribute to the significance of a Certified Heritage Area.

To determine whether a structure contributes to the significance of a historic district, the Director will apply the **Secretary of the Interior's Standards for Evaluating Significance within Registered Historic Districts (36 CFR § 67.5)**:

- ❑ A structure contributing to the historic significance of a district is one which, by location, design, setting, materials, workmanship, feeling and association, adds to the district's sense of time and place and historical development.
- ❑ A structure not contributing to the historic significance of a district is one which does not add to the district's sense of time and place and historical development; or one of which the location, design, setting, materials, workmanship, feeling or association have been so altered or have so deteriorated that the overall historic integrity of the property has been irretrievably lost.
- ❑ Ordinarily, structures that have been built within the past 50 years will not be considered to contribute to the significance of a district unless a strong justification is made for their historical or architectural merit or the characteristics for which the district is deemed historic are less than 50 years old.

Based upon documentation provided in Part 1, the Director may determine that a structure is **not historically significant**. A determination of non-significance is a judgment that a structure does not contribute to the significance of a National Register or local district, or to a complex of structures individually listed in the National Register or designated under local law. A structure that is not historically significant is not eligible to receive rehabilitation tax credits/refunds unless the non-historic structure is located in a Maryland or Baltimore City Main Street Community. Any substantial damage, alteration, or change to a property that occurs after issuance of a certification of significance and prior to certification of a completed rehabilitation must be reported promptly to the Maryland Historical Trust by the owner(s). The Trust will review the Part 1 certification of significance and determine whether the structure continues to be historically significant.

### **COMPLETING PART 1**

**NOTE:** Use [Continuation/Amendment Sheets](#) as needed to provide information concerning special considerations, to continue responses to sections of the application for which additional space is needed, or to amend an application that has already been submitted. On each sheet include the property name and address. At the top of the sheet indicate whether the amendment is to "Part 1" or "Part 2". List the item number continued from the application and provide information in the same format as on the application.

1. **Name of property.** Generally this is the street address. When a structure is known by a historic name or is called by its historic name in the historic district documentation, include that name also. Provide a complete address, including street, city, county, state, and zip code for the property. List the State Legislative District in which the property is located. (See <http://mdelect.net/electedofficials/> for a list of legislative districts in Maryland.) Check the appropriate designation type (i.e., National Register historic district; local historic district; individual local designation; a pending National Register or local historic district or a pending National Register or locally designated structure; a Certified Heritage Area; or a Main Street Maryland Community). If the building is located within a National Register or local historic district, or a Maryland or Baltimore City Main Street Community, or a Certified Heritage Area, provide the name of the district, community, or heritage area. Indicate if the Maryland Historical Trust holds an Easement on the property.
2. **Nature of request.** Check the box appropriate for your certification request.

- Structure/s within National Register or locally designated historic district.** A copy of the local historic district listing and supporting documentation must accompany this request.
- Structure/s individually designated under local law.** A copy of the official designation notification letter from the local government and supporting documentation justifying the designation must accompany this request.
- Structure/s pending National or local designation.** Check this option if the structure or historic district has not yet been designated, but is in the process of being designated, for listing in the National Register of Historic Places or as a locally designated structure or historic district. Documentation similar to that provided for currently designated structures must accompany this request. **The Director of the Maryland Historical Trust must determine whether individual properties and districts, designated under local law, meet the criteria for listing in the National Register of Historic Places. Only those locally designated properties or structures in locally designated districts that meet the National Register Criteria are eligible to apply for the tax credits/refunds.**
- Structure/s within heritage areas.** A copy of the resolution from the Maryland Heritage Areas Authority determining that the structure is significant to the Certified Heritage Area must accompany this request
- Non-historic structure/s located in a Sustainable Community or Maryland Main Street Community.** A copy of the map showing the main street community boundaries must accompany this request. To determine if your property is located in a Sustainable Community, please follow the instructions below.

Go to the DHCD mapper website:

<http://www.dhcd.maryland.gov/Website/DHCDmapper.aspx>

- a. Read and accept the terms of use agreement and click continue.
- b. Enter your address information: Enter your street address and zip code in the Find address bar above the map. Click the GO button next to the address

box. The map will zoom to the selected street location and a listing of all data layers that address falls in will be displayed in the Results tab on the left.

c. Click on your parcel on the map.

d. Verify your parcel information: On the results tab, scroll through the list to find the County header and Account ID subheader. Click the more button to expand the information. Click the SDAT URL link to open the parcel information on the Department of Assessments and Taxations web page (will open in a new window). Once verified close the SDAT window and return to the DHCD Mapper window.

e. Determine if you are in a Sustainable Community area: After clicking on your parcel on the map, look in the Results tab window. If you see Sustainable Communities in the results list then your parcel is in a Sustainable Community area. If you do not see Sustainable Communities on the Result tab then your property is not located in a Sustainable Community area.

f. Printing a map: Click on the Printer icon at the top of the Results window. This will open a print window. Click the print button in the bottom left corner of the print window.

3. **Project contact.** Provide the name, address, daytime telephone number, and e-mail address of the applicant's representative to whom inquiries regarding specifics of the application should be made.
4. **Owner.** List the owner's name. Sign and date the application. **APPLICATIONS SUBMITTED WITHOUT ORIGINAL SIGNATURES WILL BE CONSIDERED INCOMPLETE AND WILL BE RETURNED TO APPLICANT WITHOUT REVIEW.** If the owner is a corporation, partnership, or private non-profit organization, list both the name of that entity and the name of the person or other business entity who is authorized to sign the form on behalf of the entity. List the owner's Social Security or Taxpayer Identification Number. Provide the owner's address and daytime telephone number. If the property has multiple owners, their names, addresses, and Social Security or Taxpayer Identification Numbers must be listed on a **Continuation Sheet/Amendment Sheet**. Applicants that are long-term lessees must submit a letter from the owner indicating the owner's concurrence with submission of the application. Leases are considered long-term if they create a lease term of 15 years or more. However, if the structure is owned by the State of Maryland, a political subdivision of the State, or the Federal government, the structure may be eligible only if the lease term is at least equal to the minimum depreciation period permitted under State income tax law, and other lease terms meet specific additional requirements. (For information on those requirements, check the Commercial FAQs or contact the Maryland Historical Trust's [Office of Preservation Services](#) at the address listed at the end of these instructions.)
5. **Description of physical appearance.** Provide information about the major features of the structure on **both the exterior and interior**. Describe the structure in its **present condition** (before rehabilitation), not as it was when first built nor as it will be after rehabilitation. Note the architectural style, exterior construction materials (wood, brick, etc.), type of roof (flat, gabled, hipped, etc.), number of stories, basic plan (rectangular, irregular, L-shaped, etc.), and distinguishing architectural features (placement and type of windows, chimneys, porches, decorative interior features or spaces). Fully describe any changes that have been made to the structure since its

original construction - for example, additions, porch enclosures, new storefronts, relocation of doors and windows, and alterations to the interior. Other buildings on the property such as carriage houses, barns, and sheds should also be fully described. (See "**Special Considerations – Multiple Buildings**" on pages 8 and 9.) Finally, discuss the way in which the structure relates to others in the district or neighborhood in terms of siting, scale, material, construction, and date.

Provide date of construction, if available, or indicate the approximate date. Cite the source of the date, which may be a map, the historic district nomination form, a building permit, or other official document, or a former owner. State the approximate dates of alterations and indicate whether or not the structure has been moved.

6. **Statement of Significance/Context.** The Statement of Significance/Context must be sufficient for the Trust to:

1) determine whether the structure contributes to the significance of a historic district (including the district's period of significance) as a whole, or is individually eligible for listing in the National Register, or for the Maryland Heritage Areas Authority to determine whether the structure is significant to the certified heritage area; and

2) for historic structures, determine what particular features of the structure define its historic significance. In compiling this information, it is helpful to consult the National Register nomination form for the district, the heritage area certification documentation (both on file at the Maryland Historical Trust), or the designated district or individual landmark documentation (on file in the local historic district/preservation commission office). *It should not be necessary, in most cases, for the applicant to do detailed research to describe the structure and to provide a statement of significance/context.* This statement of significance/context should also relate, when applicable, to the **Secretary of the Interior's Standards for Evaluating Significance within Registered Historic Districts**, listed on page 4. Is the structure similar to other structures in the district in scale, building materials, style, and period of significance? Note important figures from the past associated with the building, former uses of the property, and the name of the architect or builder, if known.

7. **Photographs, CD-Rs, and Maps.** You must provide **good, clear photographs and a CD-R of photos** of the structure and its surroundings as they appear(ed) before rehabilitation. Good photographic documentation is a very important part of the application. Photographs supplement and, to some extent, may substitute for some of the descriptive material required under item 5 above. Photographs should show all elevations of the structure, views of the structure in its setting on the street, and overall representative interior spaces and features.

Photographs must be numbered, dated, and labeled with the property name, and address, the view (i.e., east side), and a brief description of what is shown. Photographs must be keyed to the application narrative and sketch map.

**Provide a boundary map (if applicable) which defines the boundaries of the historic district, certified heritage area, Sustainable Community or Main Street Community and which clearly identifies the lot on which the structure is**

**located.** Maps of National Register Historic Districts and Certified Heritage Areas are available from [www.mht.maryland.gov](http://www.mht.maryland.gov) under “National Register” and “Heritage Areas.” Maps of locally designated historic districts or sites are available from the local historic district commission or from the local government. Find those contacts under “In Your Community” at <http://mht.maryland.gov>. If certification is being sought for one of a group of structures that are listed together as a single property in the National Register, a site plan of the group is necessary, indicating which of the structures is the subject of the tax credit application. ***For structures under pending nomination individually for listing in the National Register or for local designation, a site plan is necessary.***

To determine if your property is located in a Sustainable Community please follow the instructions below.

Go to the DHCD mapper website:

<http://www.dhcd.maryland.gov/Website/DHCDmapper.aspx>

- a. Read and accept the terms of use agreement and click continue.
  - b. Enter your address information: Enter your street address and zip code in the Find address bar above the map. Click the GO button next to the address box. The map will zoom to the selected street location and a listing of all data layers that address falls in will be displayed in the Results tab on the left.
  - c. Click on your parcel on the map.
  - d. Verify your parcel information: On the results tab, scroll through the list to find the County header and Account ID subheader. Click the more button to expand the information. Click the SDAT URL link to open the parcel information on the Department of Assessments and Taxations web page (will open in a new window). Once verified close the SDAT window and return to the DHCD Mapper window.
  - e. Determine if you are in a Sustainable Community area: After clicking on your parcel on the map, look in the Results tab window. If you see Sustainable Communities in the results list then your parcel is in a Sustainable Community Area. If you do not see Sustainable Communities on the Result tab then your property is not located in a Sustainable Community area.
  - f. Printing a map: Click on the Printer icon at the top of the Results window. This will open a print window. Click the print button in the bottom left corner of the print window.
8. **Special Considerations.** Applicants should read carefully the following information about certain special considerations that may apply to their particular project. If a structure is in one or more of the categories described below, additional information must be submitted. If this information is provided at the outset, the review process should not be delayed.

Moved structures. An applicant must provide additional information to support a certification application for a structure that has been moved or is proposed for moving. Such documentation must discuss: 1) the effect of the move on the structure's appearance (any proposed demolition, proposed changes in foundations,

etc.); 2) the setting and general environment of the proposed new site; 3) the effect of the move on the distinctive historic and visual character of the district or neighborhood; and 4) the method to be used for moving the structure. Such documentation must also include photographs showing the previous or proposed environments, including adjacent sites, structures, and streetscapes.

Properties less than 50 years old. Properties less than 50 years old are generally considered not to contribute to the significance of a National Register or locally designated district and are excluded from individual listing in the National Register. Properties in this category, however, may be certified for rehabilitation tax credits/refunds if: 1) they are shown to be integral parts of the historic district and the historical attributes of the district are considered to be less than 50 years old, or 2) they are exceptionally significant.

Multiple structures. Properties containing more than one structure, where the structures are functionally related to serve an overall purpose, such as a mill complex or a residence and carriage house, will be treated as a single structure when the property is rehabilitated as part of an overall project. Generally, a single application form may be used to request certification of significance for these structures. Documentation, however, must be submitted for every structure to be considered for certification. For instance, if a house and carriage house are both to be certified, a single application may be used, but a description and a statement of significance and full photographic documentation for each structure must be provided. The owner should state explicitly which structures are submitted for certification of significance or for determination of non-significance. A sketch map or site plan should be provided to show the current relationship of the structures. A single application may also be used to request certification in cases where a property is composed of structures that were functionally related historically to serve an overall purpose (such as a mill complex or an industrial plant). In these cases, the complex will be considered for a single certification and proposed demolition of components will be considered in the review of rehabilitation work. If structures are under separate ownership, however, each owner must fill out a separate Part 1 application for the portion of the property owned.

## **PART 2 – DESCRIPTION OF REHABILITATION WORK**

The Description of Rehabilitation – Part 2- must be completed in order for proposed rehabilitations to be certified by the Director of the Maryland Historical Trust. The first step that commercial property owners or long-term leaseholders of income-producing properties must take is to determine if their property is eligible for the tax credit as either a “Certified Historic Structure” or as a “Qualified Rehabilitated Structure”. There are three different credit levels:

### **Option # 1 20% Tax Credit, Certified Historic Structure**

The property is designated as a certified historic structure in one of the following ways:

- Individually listed in the National Register of Historic Places,
- A contributing resource within a National Register Historic District,
- A locally designated structure that MHT determines to be eligible for the National Register,
- A contributing resource within a locally designated district that MHT determines to be eligible for National Register listing,

- A structure located in and determined significant to a Certified Heritage Area ,

The qualified rehabilitation costs exceed the greater of: the adjusted basis value of the structure or \$25,000.

The proposed work is compatible with the Secretary of the Interior's Standards for Rehabilitation (not required for non-historic structures in Certified Heritage Areas)

### **5% additional credit for High Performance structures**

An additional credit of 5% of the total eligible costs is available to projects that intend to be certified as meeting or exceeding LEED Gold or equivalent rating. The additional credit is only available to projects that select this option on the Part 2 application and can document this certification at project completion and Part 3 certification.

### **Option #2 10% Tax Credit, Qualified Rehabilitated Structure**

The property is located in a National Register or locally designated historic district but does not contribute to the significance of the district.

The project is located within a Sustainable Community, Main Street Maryland or Baltimore City Main Street Community.

The qualified rehabilitation costs exceed the greater of 50% of the adjusted basis value of the structure or \$25,000.

The proposed exterior work is compatible with the Secretary of the Interior's Standards for Rehabilitation.

The proposed work satisfies all of the following three tests:

- 50% or more of the existing exterior walls must be retained in place as exterior walls,
- 75% or more of the existing exterior walls must be retained in place as either interior or exterior walls,
- 75% or more of the interior structural framework must be retained in place,

Existing and Proposed building plans, documenting wall and structural framework retention, are required.

### **Option #3 10% Tax Credit, Qualified Rehabilitated Structure**

The property is not located in a National Register or locally designated historic district.

The property is not individually eligible for listing in the National Register of Historic Places.

The project is located within a Sustainable Community, Main Street Maryland or Baltimore City Main Street Community.

The qualified rehabilitation costs exceed the greater of; 50% of the adjusted basis value of the structure or \$25,000.

The proposed work satisfies all of the following three tests:

- 50% or more of the existing exterior walls must be retained in place as exterior walls,

- 75% or more of the existing exterior walls must be retained in place as either interior or exterior walls,
  - 75% or more of the interior structural framework must be retained in place,
- Existing and Proposed building plans, documenting wall and structural framework retention, are required.

**Proposed rehabilitation plans applying for the 20% Certified Historic Structure credit** (Option 1, page 8) are reviewed and evaluated for conformance with the **Secretary of the Interior's *Standards for Rehabilitation (Standards)***. These ten **Standards** are broadly worded to guide the rehabilitation of all historic structures, such as industrial complexes, warehouses, schools, commercial structures, and residences. The underlying concern expressed in the **Standards** is the preservation of significant historic materials and features of a structure undergoing rehabilitation. The **Standards** apply with equal force to both interior and exterior work. The Maryland Historical Trust reviews the **entire** rehabilitation project (including any attached, adjacent, or related new construction) rather than just a single segment of work. Certification of rehabilitation plans is based upon whether the overall project is consistent with the Trust's application of the **Standards**.

**For proposed rehabilitation plans applying for the 10% Qualified Rehabilitated Structure credit where the structure is located in a National Register or locally designated historic district but does not contribute to the significance of the district** (Option 2, page 9) only the exterior work is reviewed and evaluated for conformance with the **Standards**.

**For proposed rehabilitation plans applying for the 10% Qualified Rehabilitated Structure credit where the property is not located in a National Register or locally designated historic district** (Option 3, page 9), these are not evaluated for conformance with the **Standards**.

**THE PART 2 APPLICATION MUST BE COMPLETED, SUBMITTED, AND APPROVED BY THE DIRECTOR OF THE TRUST PRIOR TO THE INITIATION OF ANY REHABILITATION WORK, UNLESS PLANS FOR THE PROPOSED REHABILITATION WORK HAVE BEEN APPROVED UNDER THE FEDERAL HISTORIC TAX CREDIT PROGRAM PRIOR TO THE STATE PROGRAM'S APPLICATION DEADLINE.**

NOTE: Qualified rehabilitation expenditures are limited to expenditures for work that is undertaken after the Director's approval of the State Part 2 application. The Trust will notify applicants, in writing, whether or not the plans for the proposed rehabilitation project meets the requirements of the program.

**APPROVAL OF PLANS FOR PROPOSED WORK BY A LOCAL HISTORIC DISTRICT OR PRESERVATION COMMISSION DOES NOT GUARANTEE APPROVAL UNDER THE STATE PROGRAM BY THE MARYLAND HISTORICAL TRUST.**

## COMPLETING PART 2

1. **Name of property.** Provide the name of the property; this is generally its street address. If the structure is known by a historic name, include the name also. (These names should be consistent with the names provided on Part 1.) Provide a complete

address, including street, city, county, state, and zip code for the property under consideration. List the State Legislative District in which the property is located. (See <http://mdelect.net/electedofficials/> for a list of legislative districts in Maryland.)

Indicate by checking the appropriate box the credit option that is being applied for. (see summary of options above)

2. **Data on building and rehabilitation project.** Give the use(s) of the structure before rehabilitation (e.g., vacant, office, commercial retail, single-family rental residential, multi-family rental residential, etc.); and the proposed use after rehabilitation. Give the approximate floor area in square feet before rehabilitation, and approximate floor area in square feet after rehabilitation. Give the number of housing units before and after rehabilitation. Indicate if the project includes Affordable or Workforce housing by checking the box. (see question #7 from the FY 2012 Commercial Projects Worksheet) Indicate if the plans for the proposed project have already been approved by the National Park Service for the Federal Rehabilitation Tax Credit. Provide the estimated project starting date and the estimated project completion date. Provide the estimated total cost of the proposed rehabilitation. NOTE: Qualified rehabilitation expenditures are limited to the amount specified on the approved Part 2 application, not to exceed \$15 million.
3. **Project contact.** Provide the name, address, daytime telephone number, and e-mail address of the applicant's representative to whom questions regarding specifics of the project work should be directed.
4. **Owner.** Give the owner's name. Sign and date the application. **APPLICATIONS SUBMITTED WITHOUT ORIGINAL SIGNATURES WILL BE CONSIDERED INCOMPLETE AND WILL BE RETURNED TO APPLICANT WITHOUT REVIEW.** If the owner is a for-profit corporation, partnership, limited liability company or other business entity, or a non-profit organization, give both the name of that entity and the name of the person who is authorized to sign on behalf of the entity. Give the owner's Social Security or Taxpayer Identification Number. Provide the owner's address, daytime telephone number, and e-mail address. If the property has multiple owners, their names, addresses, and Social Security or Taxpayer Identification Numbers must be listed on a **Continuation/Amendment Sheet**. Indicate whether or not the owner is a tax-exempt organization. Applicants that are long-term lessees must submit a letter from the owner indicating the owner's concurrence with submission of the application. Leases are considered long-term if they create a lease term of 15 years or more. However, if the structure is owned by the State of Maryland, a political subdivision of the State, or the Federal government, the structure may be eligible only if the lease term is at least equal to the minimum depreciation period permitted under State income tax law, and other lease terms meet specific additional requirements. (For information on those requirements, check the Commercial FAQs or contact the Maryland Historical Trust's **Office of Preservation Services** at the address listed at the end of these instructions.)
5. **Detailed description of rehabilitation work.** In the numbered paragraphs, provide a description of the proposed project work. **Describe the entire project and not simply those portions for which the tax credit will be sought.** Begin by describing site work, followed by work on the exterior including new construction and, finally, work proposed for the interior. A separate numbered paragraph should be used to describe each work item and its effect on architectural features or spaces.

In the first paragraph, identify the architectural feature requiring work and indicate whether the feature described is original to the structure, was added at a later date, or is new construction. Give approximate date of feature. In the space provided, describe the existing (before rehabilitation) physical condition of the feature. Indicate the photograph(s) or drawing numbers that show the feature to be affected, and describe the rehabilitation work and changes to be constructed.

**Photographs.** Submit a sufficient number of **good, clear photographs** and a **CD-R of photographs** to document **both interior and exterior** conditions, including the site and environment, **prior** to the start of any rehabilitation work.

Also show, in detail, areas where proposed work will be undertaken. Such documentation is necessary for the Maryland Historical Trust to evaluate the effect of the rehabilitation on the structure. ***Where such documentation is not provided, review and evaluation cannot be completed and may result in denial of the requested certification.*** Elevations and interior features and spaces of the structures must be shown. Photographs must be numbered, dated, and labeled with the property name, address, the view (e.g., east side), and a brief description of what is shown; photographs **must** be keyed to the application narrative, where appropriate. In many cases, it may be helpful to mark directly on the photographs the areas of proposed work. Photographs may be black and white or color, but must show architectural features **clearly. Photographs and CD-Rs will not be returned.**

**Drawings or sketches.** Submit drawings or sketches to show proposed alterations or new construction. They must be sufficiently detailed to show existing wall configurations and anticipated changes. Documentation should include floor plans and, where necessary, sections and elevations. All drawings and sketches submitted with the application **must** be numbered and **must** be keyed to the application narrative. **Drawings and sketches will not be returned.**

**Applications for the 10% credit as a Qualified Rehabilitated Structure** must include existing and proposed floor plans that specifically highlight how the proposed work satisfies all of the following three tests:

- 50% or more of the existing exterior walls must be retained in place as exterior walls,
- 75% or more of the existing exterior walls must be retained in place as either interior or exterior walls,
- 75% or more of the interior structural framework must be retained in place.

***Plans should clearly highlight each of these wall retention requirements and be accompanied by ratios based on running foot measurements of the existing and proposed walls and detailed documentation of the retention of structural framework.***

**Marker Requirements.** All commercial projects are required to provide signage for the project indicating that the project was funded by Maryland Sustainable Communities Rehabilitation Tax Credit Program. Applicants must submit a project amendment to the Trust for review and approval of the required signage prior to installation. The marker must be external to the building (or at a minimum, located internally and accessible to the public) and must remain in place for a minimum of 5

years from the date of project completion. Documentation of the marker is required for certification of the completed rehabilitation.

**Project amendments.** If changes are made to a project at any time after the initial application, submit a **Part 2 Continuation/Amendment Sheet**. Provide the name and address of the property. Check the appropriate box noting that the form continues or amends Part 2, and give the Maryland Historical Trust's project number assigned to the project (if known). Indicate changes in project work, giving the originally proposed treatment and a description of the work item(s) as amended. ***Estimated qualified rehabilitation expenditures may not be increased.*** Give the owner's name. Sign and date the form. Give the owner's address, daytime telephone number, and e-mail address. Return the original signed form to the Maryland Historical Trust. ***Amendments to applications are approved only in writing by duly authorized officials of the Maryland Historical Trust.***

### **PART 3 - REQUEST FOR CERTIFICATION OF COMPLETED REHABILITATION**

**A project does not become a *Certified Rehabilitation* eligible for a rehabilitation tax credit/refund until it is completed and certified by the Maryland Historical Trust.** Upon completion of the rehabilitation project, the owner or owners must submit a Part 3 application, including **photographs and a CD-R of photographs** of completed work (both exterior and interior, including the same views as shown in the photographs submitted with the Part 2 application).

Return the completed Part 3 form to the Maryland Historical Trust. The completed project may be inspected by an authorized representative of the Director to determine if the work meets the requirements of the program.

If you indicated that the project would include Affordable or Workforce Housing on the FY 2012 Commercial Projects Worksheet, then you are required to attach a report to this application on how the completed project meets your Affordable and Workforce Housing commitment.

**Marker Requirements.** All commercial projects are required to provide signage for the project indicating that the project was funded by Maryland Sustainable Communities Rehabilitation Tax Credit Program. This application must include documentation that the required marker was installed.

#### **To complete the Part 3 - Request for Certification of Completed Rehabilitation:**

1. **Name of property.** Provide the name and address of the property exactly as shown in the approved Part 2 application. Give the State Legislative District in which the property is located. (See <http://mdelect.net/electedofficials/> for a list of legislative districts in Maryland.) Indicate whether or not the structure is a "certified heritage structure" and, if applicable, the date of certification by the Maryland Historical Trust.

**NOTE:** For properties that were pending formal National Register listing or local designation at the time Part 1 was submitted, verification of the formal listing or designation of the property or the historic district must accompany the Part 3 application. Please provide the formal notification letter from the National Register of Historic Places or the notification of designation from the local government, together with the supporting documentation justifying the designation. Failure to provide this documentation may result in a denial of the Part 3 application.

2. **Data on rehabilitation project.** Give the month, day, and year the project started and the month, day, and year in which the rehabilitation work was completed. (Only qualified rehabilitation expenditures incurred within a 24-month period ending in the same taxable year in which the project is completed are eligible. The law governing the State tax credit program defines “qualified rehabilitation expenditures” in part as “any amount that is expended in compliance with a plan of proposed rehabilitation that has been approved by the [MHT] Director.” This provision of the law means that rehabilitation expenditures for work that is undertaken prior to the Director’s approval of the State Part 2 application are ineligible for state tax credits, this also applies to projects with previously approved Federal Historic Tax Credit applications which are not prohibited from starting work prior to receiving State approval of the Part 2 application). Select the box indicating which credit option was applied for and approved in the Part 2 application. If the project has been certified as achieving LEED Gold/or equivalent, then a copy of the LEED certification must be attached to this application. Provide the total final rehabilitation project costs including new construction costs, such as additions, site work, parking lots, and landscaping. Provide the total allowable project costs less the amount of any State or local government funding and insurance reimbursement proceeds. ***State and/or local government funding includes State and local grants, State tax credits (excluding State Heritage Rehabilitation Tax Credits), and State and local financial assistance other than loans that must be repaid at rates at least equal to the most recent rates paid by the State on the issuance of State general obligation bonds.*** Total qualified rehabilitation expenditures may not exceed the amount estimated in the approved Part 2 application. Check whether you would have undertaken the rehabilitation project if the State tax credits/refund were not available.
3. **Owner.** Give the owner's name. Sign and date the application. **APPLICATIONS SUBMITTED WITHOUT ORIGINAL SIGNATURES WILL BE CONSIDERED INCOMPLETE AND WILL BE RETURNED TO APPLICANT WITHOUT REVIEW.** If the owner is an entity rather than an individual(s), give both the name of that entity and the name of the person authorized to sign on behalf of the entity. Give the owner's Social Security Number, Federal Tax Identification Number, or Tax Exempt Identification Number. Provide the owner's address, daytime telephone number, and e-mail address. By signing the Part 3 application, the owner certifies that, in his or her opinion, the completed rehabilitation meets the requirements of the Maryland Sustainable Communities Rehabilitation Tax Credit Program and is consistent with the work described in the approved Part 2 application. On the reverse side of the form, give the names, addresses, and Social Security Numbers, Federal Tax Identification Numbers, or Tax Exempt Identification Numbers of ***all*** owners. Indicate the Maryland Historical Trust project number at the top of the page.

**4. All application submittals or correspondence must be mailed or delivered to:**

**The Maryland Historical Trust  
Office of Preservation Services  
100 Community Place  
Crownsville, MD 21032**

**Application instructions, application forms and other related program information  
is available online at:**

<http://mht.maryland.gov>

**State of Maryland income tax forms are available online at:  
[www.marylandtaxes.com](http://www.marylandtaxes.com)**