



ANNAPOLIS HISTORIC PRESERVATION COMMISSION

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401
410-263-7941 • 410-263-7961 • MD Relay (711) • FAX 410-263-1129

Chartered 1708

Economic Hardship

EVIDENTIARY CRITERIA

The following criteria are to be used in the Historic Preservation Commission's consideration of an economic hardship claim:

1. Current level of economic return:

a. All properties

- Amount paid for the property, date of purchase, party from whom purchased, and relationship between the owner of record, the applicant, and person from whom property was purchased and a copy of the Deed and a bring to date title search.
- Real estate taxes for the previous three years and assessed value of the property according to the two most recent assessed valuations;
- All licensed appraisals obtained within the last three years by the owner or applicant in connection with the purchase, financing, or ownership of the property, if any or as requested by the HPC;
- Form of ownership or operation of the property, whether sole proprietorship, for-profit or not-for-profit corporation, limited partnership, joint venture, or other;
- Any state or federal income tax returns relating to the property for the last three years.

b. Incoming Producing Properties:

- The annual gross and net income from the property for the previous three years; itemized operating and maintenance expenses for the previous three years, and depreciation deduction and annual cash flow before and after debt service, if any, during the same period;
- Remaining balance on the mortgage or other financing secured by the property and annual debt-service, if any, during the prior three years;

2. Attempts at Sale: Income Producing Properties only

Listing contracts or amendments / renewals to the listing contract, for sale or rent of the property, price asked, and offers received, if any, within the previous three years, including electronic or written transcripts of testimony referencing:

- Any real estate broker or firm engaged to sell or lease the property;
- Reasonableness of price or rent sought by the applicant;
- Any advertisements placed for the sale or rent of the property.

3. Documents that reference feasibility of alternative uses for the property that could earn a reasonable economic return including:

- Report completed within the previous six months from a licensed engineer or architect with experience in rehabilitation as to the structural soundness of any buildings on the property and their suitability for rehabilitation;
- Cost estimates completed within the previous six months for the proposed construction, alteration, demolition, or removal, and an estimate of any additional cost that would be incurred to comply with the requirements for a certificate of approval;
- Estimated market value of the property as documented in the previous six months: (a) in its current condition; (b) after completion of the proposed alteration or demolition; and (c) after renovation of the existing property for continued use;
- Report on the feasibility of rehabilitation or reuse of the existing structure by an architect, developer, real estate consultant, appraiser, and/or other real estate professional experienced in historic properties and rehabilitation.

4. Any evidence of hardship resulting from neglect or inadequate maintenance of the property as produced by Historic Preservation Division Staff.

5. Knowledge of landmark designation or potential designation at time of acquisition.

6. Economic incentives and/or funding available to the applicant through federal, state, city, or private programs.