| From: Sent: To: Subject: Attachments: | Anne Mead <anne.mead@copt.com> Monday, September 16, 2024 4:45 PM CouncilMail Testimony for Sep 16 2024 Council Hearing re: Resolution 134-2024 - Supporting an Application- Eastern Howard County Enterprise Zone designation HC Resolution 134-2024 (Enterprise Zone Eastern County at Gateway) - COPT Defense support - Sep 16 2024.pdf</anne.mead@copt.com> |
|---|---|
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Good afternoon.

Please see attached testimony in support of this Resolution being introduced this evening at the request of the County Executive if you could please circulate for the Council members and record? Thank you.

Anne

Anne M. Mead Director- Associate General Counsel Direct: (443) 285-5668 Mobile: (240) 459-9619

COPT Defense Properties 6711 Columbia Gateway Drive, Suite 300 | Columbia, MD 21046 NYSE: CDP | <u>copt.com</u> | 443.285.5400



6711 Columbia Gateway Drive, Suite 300 Columbia, MD 21046

> 443.285.5400 copt.com NYSE: CDP

VIA ELECTRONIC MAIL

September 16, 2024

The Honorable Deb Jung Chair, Howard County Council George Howard Building 3430 Court House Drive Ellicott City, Maryland 21043-4392 councilmail@howardcountymd.gov

Re: Resolution No. 134-2024 - Introduced by the Chairperson at the request of the County Executive - Supporting a Resolution- Eastern Howard County Enterprise Zone Designation (the "<u>Resolution</u>").

Dear Council Chair Jung and Members of the County Council:

On behalf of COPT Defense Properties ("<u>COPT</u>"), a longstanding and significant commercial property owner in the Columbia Gateway area of Howard County (the "<u>Gateway</u>"), as well as a company headquartered in the Gateway for the past 18 years, we wanted to express our support for the above-referenced Resolution and the application as proposed by the County Executive to the State of Maryland to designate the Columbia Gateway and Route 1 Corridor areas of Howard County in an Eastern Howard County Enterprise Zone (the "<u>Enterprise Zone</u>") as part of the Maryland Enterprise Zone Program.

COPT is the owner of 19 acres of undeveloped land and approximately 2.5 million square feet of primarily office space in 30 buildings in the Gateway, one of which we are pleased to announce we acquired in the past year, demonstrating COPT's continued commitment to investment and growth in the Gateway. Like most of the core COPT portfolio, the majority of our tenants in the Gateway are U.S. defense contractors or government IT support businesses that have capital intensive specialized mission critical environments and security needs. Further, the COPT Gateway portfolio has a successful history of providing incubator space for a variety of technology companies to grow and to collaborate with other companies in the Gateway.

Consistent with the Council's recently adopted Howard County General Development Plan (HoCo by Design), the Resolution for the Enterprise Zone designation recognizes the need to support these mission critical and technology companies and the Gateway overall as a hub of innovation employment growth. The proposed Enterprise Zone designation and opportunity for tax credits to offset capital improvements and new employment in the Gateway will provide more opportunities to accommodate these unique tenants and enhance the future job growth in Council Chair Jung and Members of the County Council September 16, 2024 Page 2

the County. We therefore request that the Council support the Resolution, with the addition of the COPT Gateway property with 4 buildings identified as tax parcel 06-498930 that was inadvertently omitted, and the County Executive's application for Enterprise Zone designation.

Thank you for consideration of our comments.

Sincerely,

its

Britt A. Snider, Executive Vice President & Chief Operating Officer

cc: The Honorable Calvin Ball, County Executive

| From: | Ryan Powers <rpowerz115@gmail.com></rpowerz115@gmail.com> |
|-----------------|--|
| Sent: | Monday, September 23, 2024 11:03 AM |
| To: | CouncilMail |
| Subject: | CR134-2024 Eastern Enterprise Zones loses money and benefits unclear |
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Dear Councilmembers,

I want to make clear I do not support CR134-2024 in its current form.

The Auditor's report submitted with the legislation notes:

" For comparison, according to the DPZ, the jurisdictions with the highest tax credit value in Fiscal Year 2022 included Baltimore City (\$29.9 million), Baltimore County (\$5.0 million), Cecil County (\$4.1 million), Harford County (\$3.7 million), and Prince George's County (\$3.2 million)."

If an Enterprise Zone is declared, its benefits to Howard County should at least be estimated. I do not think "to spur development" is predicated on any kind of analysis. At least, none was given in joint testimony by DPZ/HCEDA. What are the specific goals of Howard County and how will they be measured?

I also think the dependence on State reimbursement of 50% is worrisome given the budget deficit. "Like <u>other states</u>, Maryland greatly benefited from federal pandemic aid in recent years. But now Maryland is facing a projected structural deficit of \$761 million in the next fiscal year. That is expected to balloon to about \$2.7 billion in fiscal year 2029, largely due to rising costs of a K-12 education funding reform law." (1/10/24 <u>Maryland lawmakers to wrestle with budget deficit, public safety, housing as session opens | AP News</u>)

Enterprise Zones also do not seem to help the people they are meant to help. Employment is only rarely from the community (12%). It is about half in the county (46%). In fact, the subheadline for one section is "Program Does Not Provide Job Opportunities for Residents" (see <u>Evaluation of the Enterprise Zone</u> <u>Tax Credit (maryland.gov)</u> Chapter 4)

Finally, I don't believe there is a need to drive growth in the area. I think the need for homes in HoCo will drive residential development that will organically pull in many businesses. If HoCo wants to spur particular business development, it should develop plans to make targeted incentives.

Gateway needs land banks and plans for schools, libraries, parks, and community centers. It does not need free giveaways as high as 80%.

Thank you,

Ryan Powers

Glenwood, MD

| From: Sent: To: Cc: Subject: Attachments: | Christopher Costello <cb.costello@comcast.net> Tuesday, September 24, 2024 5:00 PM CouncilMail Simon, Kristi Letter regarding: Res. 134-2024 Planning for Enterprise Zone RESOLUTION Admin. 134-2024 application designation of Enterprise Zone Test. in Favor HoCo Chamber2.pdf; CHRIS COSTELLO.vcf</cb.costello@comcast.net> |
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Members of the Howard County Council

Attached is a letter that explains the support of the Hoard Chamber for the planning for an Enterprise Zone.

Chris

CHRIS COSTELLO PSCG Partner (410) 746-3452 Mobile cb.costello@comcast.net 6400 Baltimore Nat'l. Pike #455 Baltimore, MD 21228

http://www.publicsectorconsulting.c...





6240 Old Dobbin Lane
Suite 110
Columbia, MD 21045

September 16, 2024

To: Howard County Council Members

- Re: Resolution: 134-2024 Supporting an application - Eastern Howard County Enterprise Zone
- Subj: Testimony of the Howard County Chamber in Support of the Resolution

The Howard County Chamber supports the resolution before you as an enterprise zone that will enable Howard County to apply to the Maryland Department of Commerce for an Enterprise Zone in Eastern Howard County.

The area selected is of particular interest – located in the Route 1 Corridor and the Columbia Gateway District, which was designated in HoCo by Design as an Ideal location for industrial development.

Such an enterprise area could provide special tax breaks, regulatory exemptions, or other public assistance to encourage private economic development and job creation. In this case it will hopefully promote needed revitalization and new economic development (jobs) in the County.

This would be a win-win for the business community and the residents of Howard County. Furthermore, the Howard County Chamber views this opportunity as needed, not just a "nice to have; to the contrary, it is essential. Maryland's efforts to attract and retain business are limited by tax rates that are among the highest in the nation, combined with more costly business and employment requirements. Both Governor Moore and Comptroller Lierman have identified the decline in Maryland's private sector and essential revenue over many years as a serious problem, calling on the state to focus on ways to increase private sector activity.

The Chamber encourages the Council Members to vote in support of County Resolution # 134-2024

I will try my best to answer your questions.

Christopher B Costello Government Affairs Representative

