County Council of Howard County, Maryland

2024 Legislative Session

Legislative Day No. 10

Resolution No. 134-2024

Introduced by: The Chairperson at the request of the County Executive

Short Title – Supporting an Application – Eastern Howard County Enterprise Zone designation

Title: A RESOLUTION supporting an application to the State of Maryland for the designation of the Eastern Howard County Enterprise Zone as part of the Maryland Enterprise Zone Program.

Introduced and read first time <u>Sept 3</u> , 2024.	By order Michelle Harrod, Administrator
Read for a second time at a public hearing on Sept 16	_, 2024.
	By order Michelle Harrod, Administrator
This Resolution was read the third time and was Adopted, Adopted with a on, 2024.	mendments, Failed, Withdrawn, by the County Council
	Certified By Mushilly Horrod
Approved by the County Executive OCTOPEr 10, 2024	Michelle Harrod, Administrator
STED COULT	Calvin Ball, 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; <u>Underlining</u> indicates material added by amendment

1	WHEREAS, Maryland's Enterprise Zone Program (the "Program") is a joint effort between
2	the State and local governments to provide tax incentives to businesses and property-owners
3	located in economically distressed communities; and
4	
5	WHEREAS, the State of Maryland has designated in Title 5, Subtitle 7 of the Economic
6	Development Article of the Annotated Code of Maryland a process for the designation of
7	Enterprise Zones; and
8	
9	WHEREAS, Howard County's General Development Plan – HoCo By Design – adopted in
10	2023, describes Columbia Gateway's redevelopment as the County's greatest opportunity to
11	accommodate future job growth and identifies it as a major hub for employment, entertainment
12	and innovation with access from one or more transportation corridors; and
13	
14	WHEREAS, HoCo by Design and the County's Route 1 Corridor Plan: A Plan for
15	Washington Boulevard (2023) identify this area as vital to employment opportunities in the
16	County and aim to support, retain, and grow the Corridor's industrial and manufacturing base
17	through redevelopment and reinvestment incentives; and
18	
19	WHEREAS, the Howard County Economic Development Authority considers enterprise
20	zone designation a critical tool in the effort to retain and attract business, create jobs and
21	redevelop underutilized property; and
22	
23	WHEREAS, the Howard County Executive and County Council seek this designation for
24	the Eastern Howard County Enterprise Zone to support economic development in the Columbia
25	Gateway area and along the Route 1 corridor; and
26	
27	WHEREAS, the Eastern Howard County Enterprise Zone will include parcels within
28	Howard County, located in the priority funding area and within portions of Census Tracts
29	6067.06, 6067.08, and 6012.03, as shown on the attached Exhibit; and
30	
31	WHEREAS, the primary benefits to businesses located within an Enterprise Zone are local

1

- 1 property tax credits and State income tax credits; and
- 2

WHEREAS, eligible businesses in an Enterprise Zone may claim a 10- year credit against local real property taxes on a portion of real property improvements, that credit being 80 percent of the assessment increase during the first five years, and then decreasing 10 percent annually to 30 percent in the tenth year; and

7

8 WHEREAS, eligible businesses in an Enterprise Zone may claim credits for wages paid to 9 new employees in new positions. Those credits being a one-time \$1,000 credit per new 10 employees in general but increasing the credit amount in the case of economically disadvantaged 11 employees to \$6,000 per employee, distributed over a three-year period. Such credits are to be 12 claimed on Form 500CR and submitted to the Comptroller as part of an individual or business 13 income tax return; and

14

WHEREAS, Howard County is supportive of the application to designate the Eastern
Howard County Enterprise Zone, thereby making qualified businesses located in the zone
eligible for certain tax credits.

18

NOW, THEREFORE, BE IT RESOLVED, by the County Council of Howard County,
 Maryland this <u>7</u> day of <u>6 C ber</u>, 2024 that it supports the County's
 application for the designation of the Eastern Howard County Enterprise Zone containing
 portions of Census Tracts 6067.06, 6067.08, and 6012.03, as shown on the attached Exhibit.
 AND BE IT FURTHER RESOLVED by the County Council of Howard County, Maryland

25 that the County Executive is hereby requested to endorse this resolution, thereby indicating 26 approval thereof.

27

AND BE IT FURTHER RESOLVED, that copies of this Resolution be sent to the Secretary
 of the Maryland Department of Commerce.



Amendment 1 to Council Resolution No. 134-2024

BY: The Chairperson at the request of the County Executive

Legislative Day No. 11 Date: October 7, 2024

Amendment No. 1

(This amendment substitutes a revised Exhibit that uses parcel boundaries obtained from the Maryland Department of Planning. The prefiled Exhibit was created using Howard County's own parcel and land use data. After prefile it was learned that the State's requirement for Enterprise Zone boundary delineation is that parcel boundaries must be from the Maryland Department of Planning. Due to several factors, the adjustment from County to State parcel data caused more right of way to be included, capturing 0.7% more acres in the official Enterprise Zone area.)

1

- 1 Remove the exhibit attached to Council Resolution No. 134-2024 as filed and substitute a
- 2 revised Exhibit as attached to this Amendment.

I certify that this a true copy of AMI (2134 passed on MA Council Administrator

Not Introduce



Amendment 2 to Council Resolution No. 134-2024

BY: The Chairperson at the request of the County Executive

Legislative Day No. 11 Date: October 7, 2024

Amendment No. 2

(This amendment substitutes a revised Exhibit that uses parcel boundaries obtained from the Maryland Department of Planning. The prefiled Exhibit was created using Howard County's own parcel and land use data. After prefile it was learned that the State's requirement for Enterprise Zone boundary delineation is that parcel boundaries must be from the Maryland Department of Planning. Due to several factors, the adjustment from County to State parcel data caused more right of way to be included, capturing approximately 13.7% more acres in the official Enterprise Zone area.

This amendment also includes certain commercial/office properties at the corner of Snowden River Parkway and Route 175 and those located northeast of Meadowridge Road.)

- 1 Remove the exhibit attached to Council Resolution No. 134-2024 as filed and substitute a
- 2 revised Exhibit as attached to this Amendment.

I certify that this a true copy of Am passedon 0. Council Administrator



Amendment 3 to Council Resolution No. 134 - 2024

BY: Deb Jung

Legislative Day # 11 Date: October7, 2024

Amendment No. 3

(This Amendment removes the Columbia Gateway property from Enterprise Zone consideration.)

1	
2	On page 1, strike lines 9 through 12, in their entirety.
3	
4	On page 1, in lines 24 and 25, strike "in the Columbia Gateway area and".
5	
6	On page 1, in line 29, strike "6067.08".
7	
8	On page 2, in line 22, strike "6067.08".
9	
10	On the attached map entitled, "Proposed Enterprise Zones, Howard County Maryland",
11	remove Census Track 6067.08's Enterprise Zone designation.
12	

FAILED	I certify that this a true copy of Am 3 CR 194-2624 passed on <u>October 7, 2024</u> <u>Muchulu Course</u> Council Administrator
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- SUBJECT: Council Testimony and Fiscal Impact Statement Supporting an Application – Eastern Howard County Enterprise Zone designation
- TO: Brandee Ganz Chief Administrative Officer
- FROM: Jennifer Jones, CEO Howard County Economic Development Authority

Lynda Eisenberg, Director Department of Planning & Zoning

DATE: August 21, 2024

The Howard County Economic Development Authority (HCEDA), along with the Department of Planning & Zoning, express their support for Council Resolution No. _____, which authorizes Howard County to apply to Maryland Department of Commerce for an Enterprise Zone designation for certain parcels in eastern Howard County.

Enterprise Zones have a tremendous impact on communities throughout our state, serving as a catalyst for growth and revitalization. Businesses operating within an Enterprise Zone may be eligible for a tax credit towards their state income tax filings based upon the number of new jobs created, and a tax credit on their local real property taxes based upon their overall capital investment into a property.

The proposed Eastern Howard County Enterprise Zone focuses on two target areas in *HoCo By Design* - the Route 1 Corridor and the Columbia Gateway District. *HoCo By Design* recognizes the opportunity and necessity of thoughtful redevelopment in Howard County to meet our growing community needs. Enterprise Zones provide an important tool to advance this effort.

The Route 1 Corridor is expected to remain a significant employment corridor in the County for the next 20 years. *HoCo By Design* and its companion *Route 1 Corridor Plan: A Plan for Washington Boulevard*, both adopted in 2023, emphasize the uniqueness of the Corridor as well as the importance of attracting public and private investment and spurring redevelopment that will enhance its attractiveness and economic value.

Currently an employment center with large office and industrial buildings and surface parking lots, Columbia Gateway is envisioned as an iconic model for sustainable and innovative

redevelopment and infrastructure projects, making it an exciting new focal point for the Baltimore-Washington region.

This Enterprise Zone application includes 2,054.5 acres of commercial, manufacturing and industrial properties that could benefit from this important designation.

Fiscal Impact

The fiscal impact is not quantifiable at this time because the County does not have any Enterprise Zones at present. However, the state does publish an Enterprise Zone Tax Credit Report for all Counties (<u>Evaluation of the Enterprise Zone Tax Credit (maryland.gov</u>). The State reimburses local jurisdictions 50 percent of the revenue lost as a result of offering businesses located in its zone the property tax credit, subject to approval in the State's annual budget.

County Council of Howard County, Maryland

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Approved by the County Executive, 2024	Certified By Michelle Harrod, Administrator
	Calvin Ball, County Executive

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NOW, THEREFORE, BE IT SESOLVED, by the County Council of Howard County, 19 _day 🕵 20 Maryland this , 2024 that it supports the County's application for the designation with Eastern Howard County Enterprise Zone containing 21 portions of Census Tracts 606, 6067.08, and 6012.03, as shown on the attached Exhibit. 22 23 AND BE IT FURTHER RESOLVED by the County Council of Howard County, Maryland 24 that the County Executive is hereby requested to endorse this resolution, thereby indicating 25 approval thereof.

26 27

AND BE IT FUR HER RESOLVED, that copies of this Resolution be sent to the Secretary
 of the Maryland Department of Commerce.





BY THE COUNCIL

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

October 0 , 2024.

Michelle R. Harrod, 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 ______, 2024.

Michelle R. Harrod, 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 ______, 2024.

Michelle R. Harrod, 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 ______, 2024.

Michelle R. Harrod, 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 ______, 2024.

Michelle R. Harrod, 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 ______, 2024.

Michelle R. Harrod, Administrator to the County Council