COUNTY COUNCIL

OF

TALBOT COUNTY

2018 Legislative Session, Legislative Day No.: September 11, 2018

Resolution No.: 264

Introduced by: Mr. Bartlett, Mr. Callahan, Ms. Price, Ms. Williams

A RESOLUTION SUPPORTING THE EXPANSION OF THE EXISTING MARYLAND ENTERPRISE ZONE IN A PORTION OF CENSUS TRACT 9603 LOCATED IN THE TOWN OF EASTON FOR PORTIONS OF CENSUS BLOCKS 9605012, 9602012, 9603001, AND 9604002, MORE PARTICULARLY SHOWN ON EXHIBIT A TO THIS RESOLUTION, PURSUANT TO ECONOMIC DEVELOPMENT ARTICLE § 5-701 ET SEQ., MARYLAND ANNOTATED CODE

By the Council: September 11, 2018

Introduced, read the first time, and ordered posted, with Public Hearing scheduled on Tuesday, October 9, 2018 at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

By order: Susan W. Moran

Susan W. Moran, Secretary

A RESOLUTION SUPPORTING THE EXPANSION OF THE EXISTING MARYLAND ENTERPRISE ZONE IN A PORTION OF CENSUS TRACT 9603 LOCATED IN THE TOWN OF EASTON FOR PORTIONS OF CENSUS BLOCKS 9605012, 9602012, 9603001, AND 9604002, MORE PARTICULARLY SHOWN ON EXHIBIT A TO THIS RESOLUTION, PURSUANT TO ECONOMIC DEVELOPMENT ARTICLE § 5-701 ET SEQ., MARYLAND ANNOTATED CODE

WHEREAS, under the Maryland Enterprise Zone Program, the Maryland Secretary of Commerce is authorized to designate certain qualifying land areas as enterprise zones upon application by the political subdivision(s) in which said areas are located; and,

WHEREAS, the Town of Easton, Maryland filed an Enterprise Zone Application with the Maryland Department of Commerce seeking the designation of a portion of Census Tract 9603 as a Maryland Enterprise Zone; and,

WHEREAS, the Talbot County Council agreed with the designation of such area as a Maryland Enterprise Zone in Resolution 245, passed by the Council on May 23, 2017; and,

WHEREAS, the State of Maryland granted the Town of Easton's Enterprise Zone Application seeking the designation of a portion of Census Tract 9603 as a Maryland Enterprise Zone on June 15, 2017; and,

WHEREAS, the Town of Easton Council wishes to apply for expansion of this Maryland Enterprise Zone for portions of Census Blocks 9605012, 9602012, and 9604002, which are more particularly shown on the attached Exhibit A as "Proposed Enterprise Zone" (which is incorporated by reference herein) and includes Talbot Commerce Park and Mistletoe Farm; and,

WHEREAS, to promote investment and job creation, the designation of an area as an enterprise zone confers certain real property tax credit, income tax credit, and other financial benefits on qualifying trades or businesses that are located in, or which move into, the enterprise zone; and,

WHEREAS, pursuant to Tax-Property Article § 9-103, eligible trades and businesses in the enterprise zone may claim a 10-year credit against local real property taxes on nonresidential portions of their properties, said credit being 80 percent of the assessment increase during the first five years, then decreasing 10 percent annually to 30 percent in the tenth year; and,

WHEREAS, the State of Maryland, as provided in the State budget, will, pursuant to Tax-Property Article §§ 9-103 (h) and (i), reimburse each participating county and municipality in an amount equal to one-half of the funds that would have been collected if the enterprise zone property tax credit had not been granted; and,

WHEREAS, Tax-Property Article § 9-103 (c) states that "Unless the county in which a municipal corporation is located agrees to the designation of an enterprise zone in the municipal corporation, qualified property in the municipal corporation may not receive a tax credit against county property tax."; and,

WHEREAS, the expansion of this Maryland Enterprise Zone for portions of Census Blocks 9605012, 9602012, and 9604002, which are more particularly shown on the attached Exhibit A is an important incentive that the Town and County can offer to retain and attract businesses and to promote local job creation;

NOW, THEREFORE, be it resolved by the County Council for Talbot County, Maryland:

1. The above recitals are incorporated as if fully set forth herein.

2. The County hereby supports the expansion of the portions of Census Blocks 9605012, 9602012, and 9604002 shown on Exhibit "A" (the "Area") to the existing Maryland Enterprise Zone as described in the Town of Easton's Resolution 6097 (the "Town Resolution") and Economic Development Article § 5-701 *et seq*.

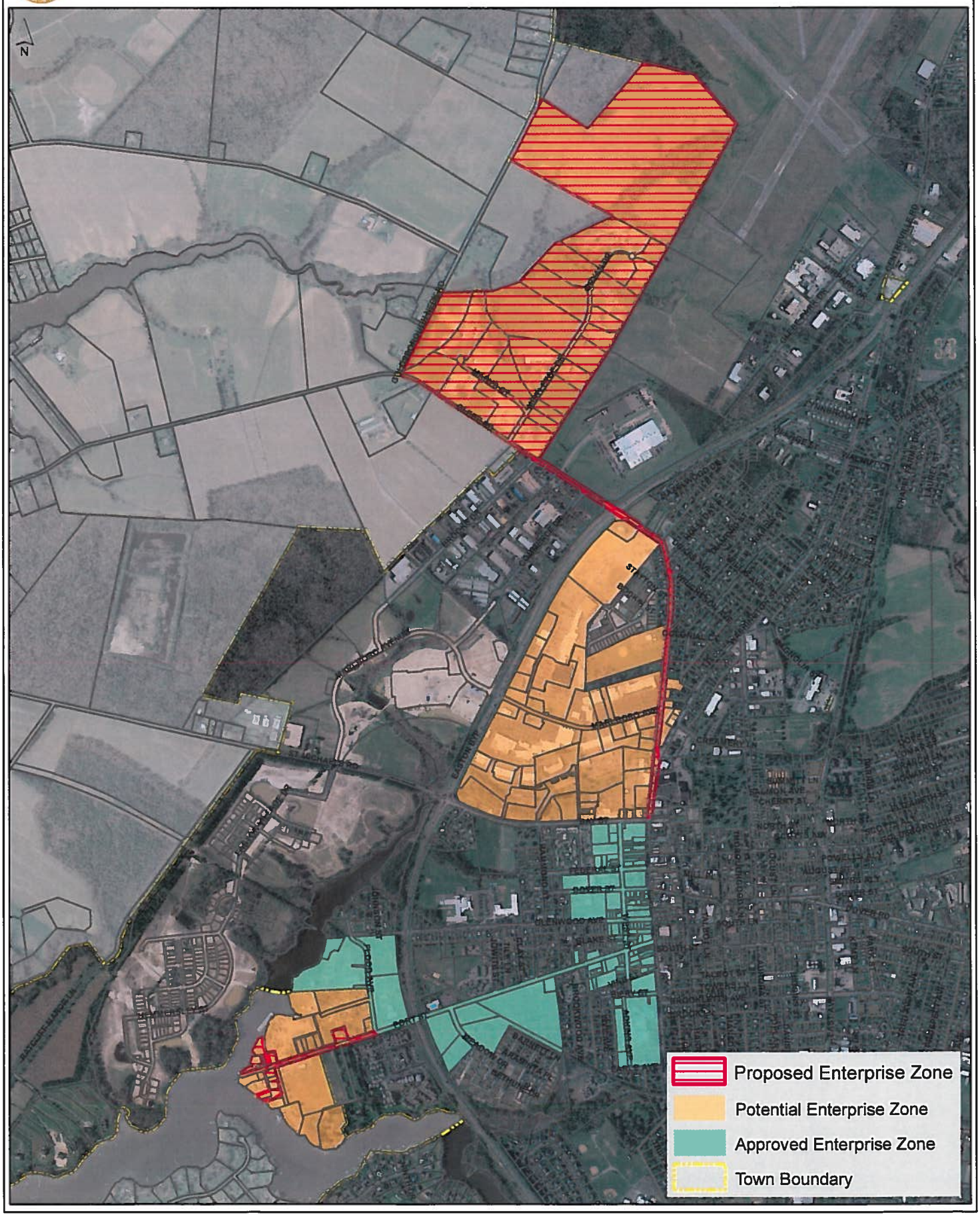
3. Should the Maryland Secretary of Commerce (the "Secretary") lawfully designate the Area as a part of the existing enterprise zone, the County hereby agrees to grant real property tax credits against County property taxes for qualifying trades and businesses in accordance with Tax-Property Article § 9-103. The County acknowledges that the criteria for a trade or business to qualify for the real property tax credits and other enterprise zone benefits are set forth in the Economic Development Article, the Tax-Property Article, COMAR, and the Town's application to the Maryland Department of Commerce as approved by the Secretary of Commerce.

4. If the Town Resolution is amended in a way that materially alters the size or shape of the Area or the criteria for a trade or business to qualify for real property tax credits and other enterprise zone benefits, or if the amendment alters the Town Resolution in any other way the County views as material to its decision to support the designation, then the County reserves the right to withdraw or change its support for the designation of the Area as enterprise zone.

5. If the Secretary does not accept the Town Resolution or does not ultimately designate the Area as an enterprise zone, then this Resolution shall automatically be of no further force or effect and shall not be used as evidence of the County's support for any future application. If and when a future enterprise zone application is made, the County will evaluate said application at the appropriate time and determine whether to support the designation or not.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon its date of passage.

Town of Easton, MD - Enterprise Zones



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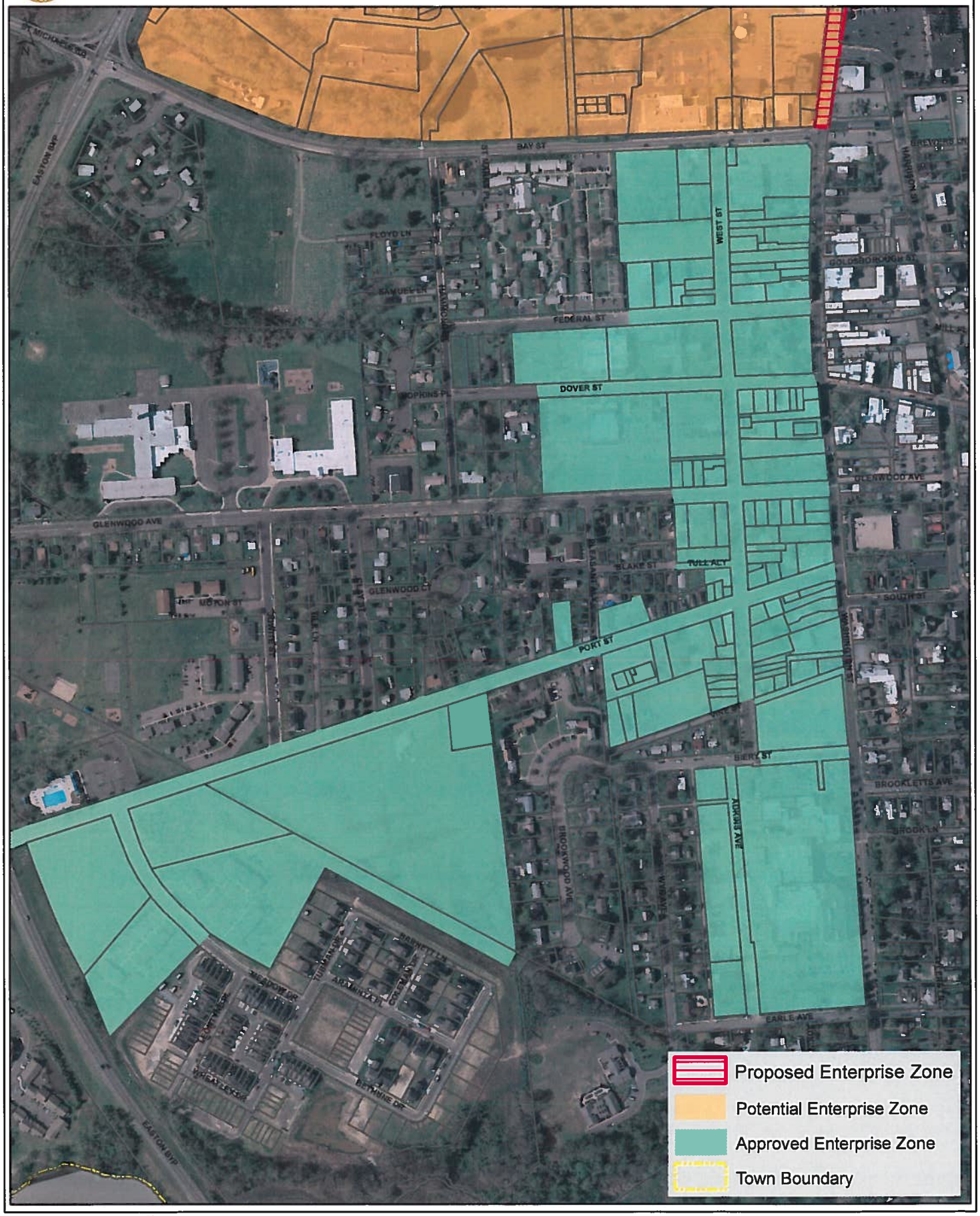
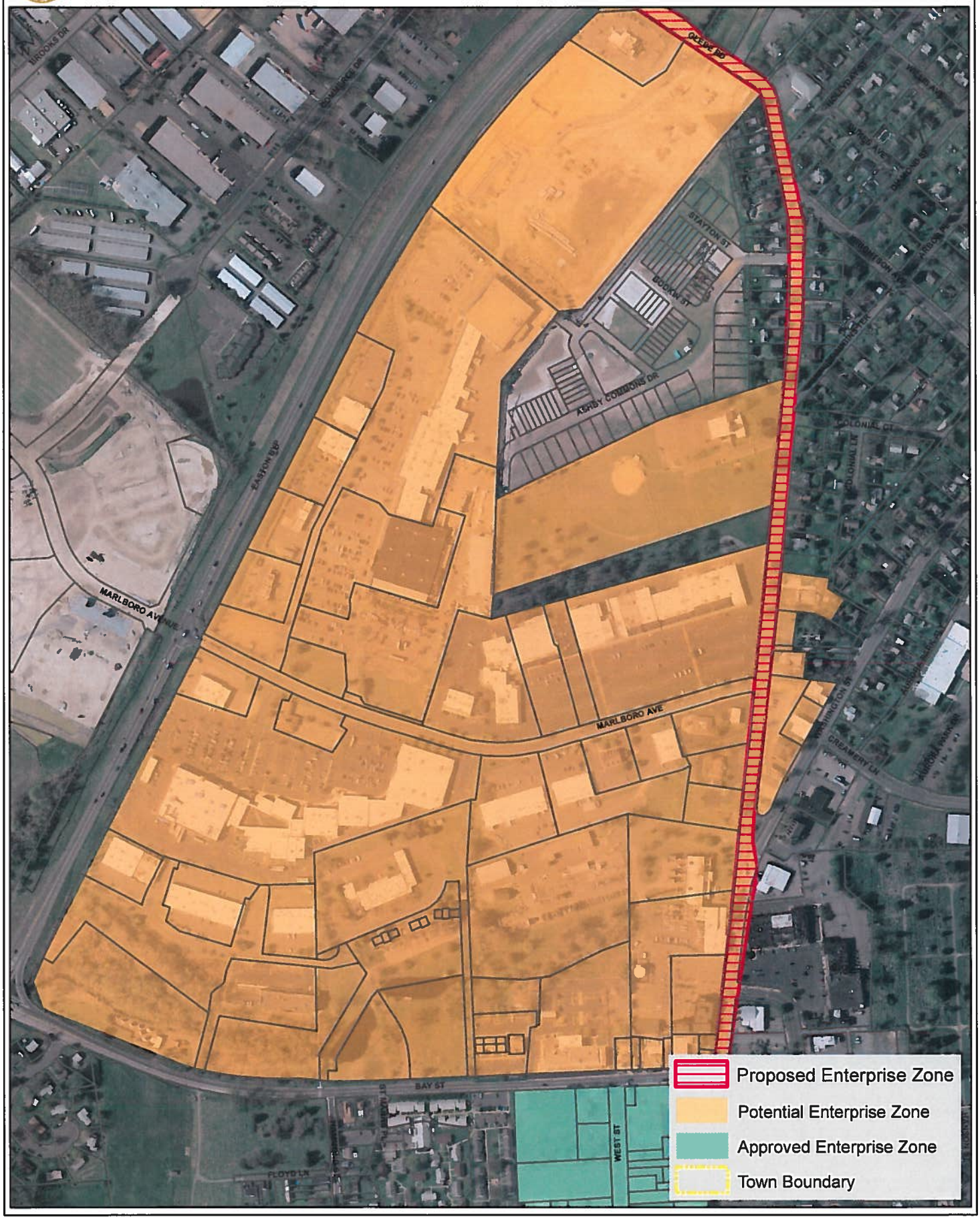


Town of Easton, MD - Enterprise Zones



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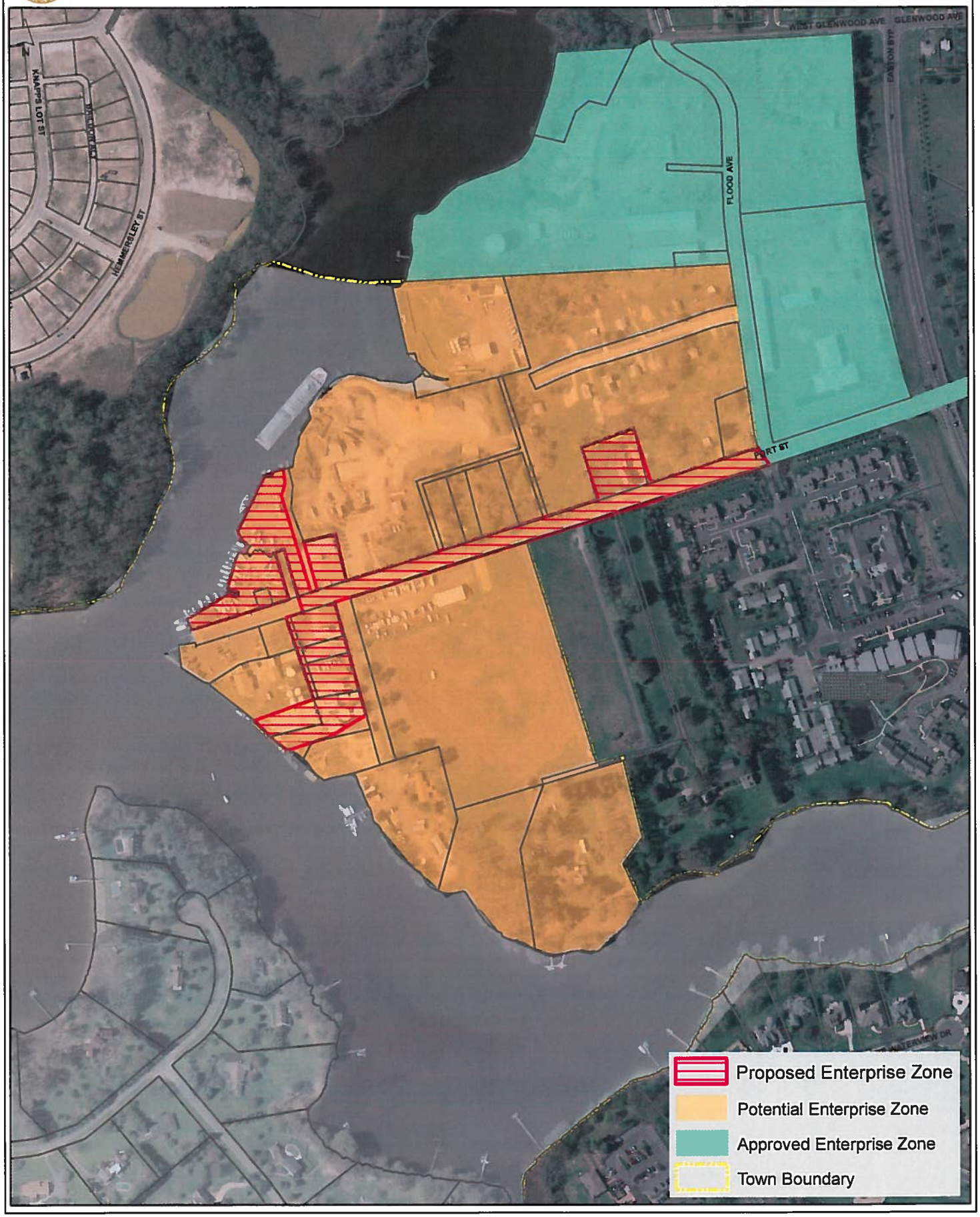
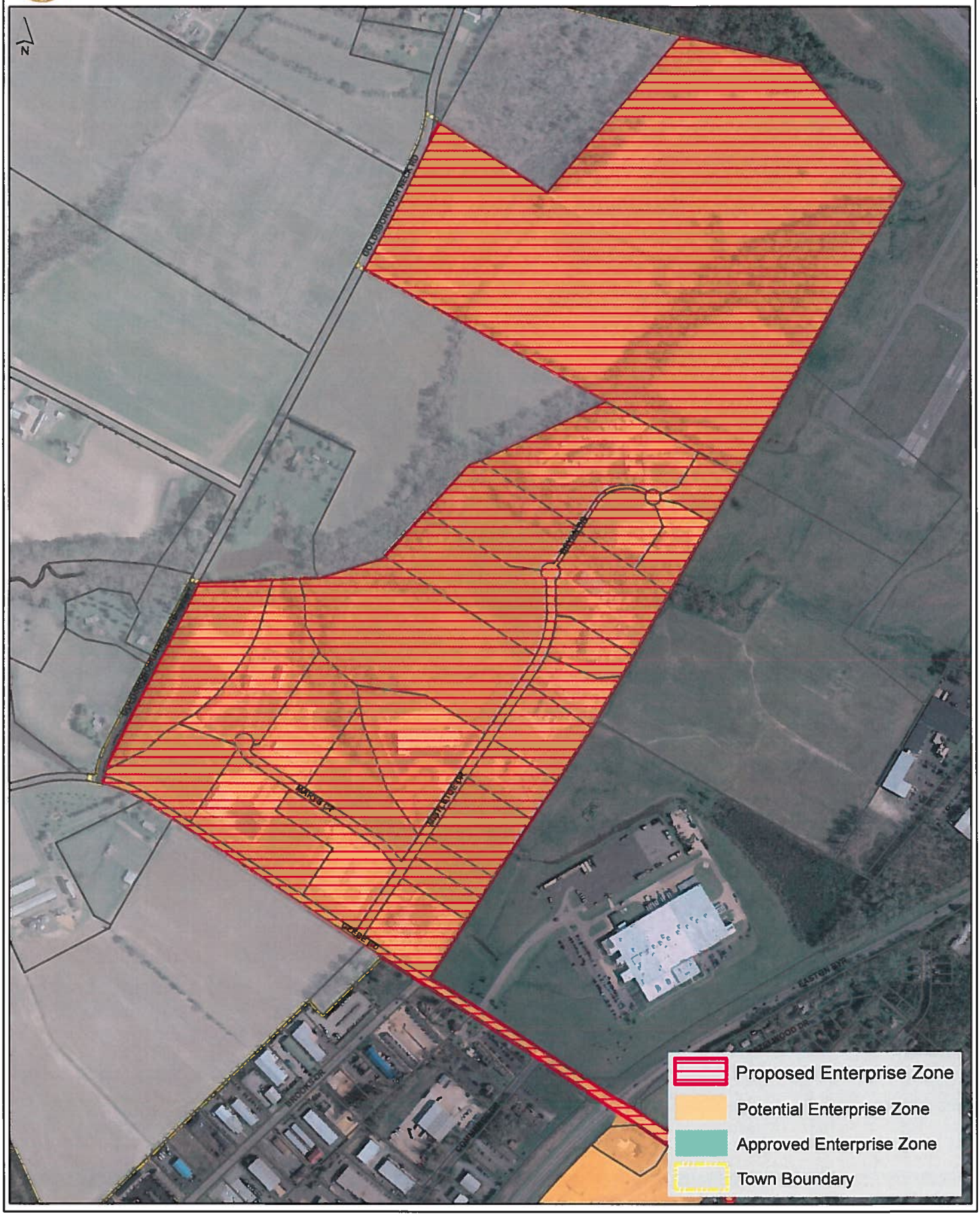


Town of Easton, MD - Enterprise Zones



PUBLIC HEARING

Having been posted and Notice, Time and Place of Hearing, and Title of Resolution No. 264 having been published, a public hearing was held on Tuesday, October 9, 2018 at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland.

BY THE COUNCIL

Read the second time:

Enacted: **October 9, 2018**

By Order: Susan W. Moran

Secretary

Williams	-	Aye
Price	-	Aye
Bartlett	-	Aye
Pack	-	Aye
Callahan	-	Aye

EFFECTIVE: **October 9, 2018**