



HARFORD COUNTY

COMMUNITY & ECONOMIC DEVELOPMENT

BARRY GLASSMAN, COUNTY EXECUTIVE
LEN PARRISH, DIRECTOR

Greater Aberdeen/ Havre de Grace

Enterprise Zone

Business retention and expansion, job creation and the revitalization
of the U.S. Route 40/Chesapeake Science & Security Corridor



Community & Economic Development

2021-D Pulaski Highway
Havre de Grace, MD 21078

410.638.3059

1.888.195.SITE

oed@harfordcountymd.gov

www.harfordcountymd.gov/oced

Greater Aberdeen/ Havre de Grace Enterprise Zone

Enterprise Zone Objectives

The Greater Aberdeen/Havre de Grace Enterprise Zone is one of two Enterprise Zones in Harford County. The county's focus on these zones designated by the Maryland Department of Business & Economic Development is:

- To ensure business retention, increase business expansion and attract new businesses
- To encourage the creation of well-paying new jobs
- To promote development and occupancy of vacant, underutilized land and buildings
- To revitalize older industrial areas of the County

Greater Aberdeen/Havre de Grace

- **Re-designated June, 2016**
- **9,720 acre zone**
- **Properties situated along U.S. 40 and within municipalities of Aberdeen and Havre de Grace**
 - **South to Belcamp and Perryman**
 - **West to HEAT Center**
 - **East to include portions of Aberdeen Proving Ground**
- **Business parks located within the zone:**
 - **Water's Edge Corporate Campus**
 - **The HEAT Center**
 - **Chesapeake Industrial Park**
 - **Cranberry Run Business Park**
 - **Hardee's Industrial Park**
 - **Hickory Ridge Industrial Park**
 - **Rock Glenn Business Park**
 - **Harford Gateway**
 - **Advantage Business Center**
 - **Perryman Industrial Park**
 - **Enterprise Business Park**
 - **40 East Industrial Park**
 - **Aberdeen Industrial Center**

Eligibility & Benefits

Business must be located within the zone and meet minimum requirements for job creation or for capital investment, including, but not limited to, specified design standards.

MINIMUM CAPITAL INVESTMENT

CONSTRUCTION/REHABILITATION OF REAL PROPERTY

- \$100,000 (if business has 10 or less employees)
- \$125,000 (if business has 11 or more employees)

LOCAL REAL PROPERTY TAX CREDITS*

Credits are available for up to ten years on capital investments. Credit of 80% on increases in assessed value of real property for first five years, decreasing by 10% annually for the remaining five years. Any real property tax credits are granted for full taxable years only.

**NOTE: Businesses seeking local real property tax credits must apply to the Office of Community & Economic Development and applicable municipal departments prior to completing the construction or rehabilitation project. Real property tax credits may not be granted retroactively.*

AND/OR

STATE INCOME TAX CREDITS

The Maryland's Enterprise Zone Program provides special tax credits to encourage businesses in the enterprise zone to create new jobs. The credits are more valuable than deductions because credits are subtracted directly from income tax liability. There are two types of income tax credits for firms in an enterprise zone; a general income tax credit and a larger income tax credit for hiring economically disadvantaged employees (certified by the State).

Minimum Full-time Job Creation:

- 2 NEW (if business has 10 or less employees)
- 5 NEW (if business has 10 or more employees)

The general credit is a one-time \$1,000 credit per new employee. For economically-disadvantaged employees (certified by the state), the credit increases to a total of \$6,000 per employee distributed over three years:

- Year 1 \$3,000
- Year 2 \$2,000
- Year 3 \$1,000

**NOTE: By submission of and signature on the Qualification Application, the business requesting real property tax credits and creating new jobs agrees (through its owner, principal, employee or authorized agent) to provide a written report to the Harford County Office of Community & Economic Development Enterprise Zone Administrator on the number of new full-time and new part-time jobs created for each calendar year until the 10 year qualification time expires. Such information regarding new jobs created must be submitted no later than March 1st of each calendar year for the prior calendar year. This information is required for compilation of an annual report to the MD Department of Commerce.*

Sample Property Tax Calculation

SAMPLE OF PROPERTY TAX CREDIT ON \$500,000 INVESTMENT MARKET VALUE OF IMPROVEMENT FOR PROPERTY OUTSIDE A MUNICIPALITY:

YEAR	INCREASED TAX WITHOUT EZ CREDIT	CREDIT RATE	CREDIT AMOUNT	TAX PAID
1	5,460	80%	4,368	1,092
2	5,460	80%	4,368	1,092
3	5,460	80%	4,368	1,092
4	5,460	80%	4,368	1,092
5	5,460	80%	4,368	1,092
6	5,460	70%	3,822	1,638
7	5,460	60%	3,276	2,184
8	5,460	50%	2,730	2,730
9	5,460	40%	2,184	3,276
10	5,460	30%	1,638	3,822
Total Savings Due to the Credit: \$35,490				

Local Program Objectives

Harford County, Greater Aberdeen, and Havre de Grace use the Enterprise Zone Program as a strategic economic development tool with these objectives:

- Promote private capital investment
- Create private employment opportunities
- Increase employment opportunities for low and moderate income families
- Broaden the County industrial and commercial base
- Support retention and encourage the expansion of resident businesses and industry
- Provide incentives and initiatives to attract new businesses and industry

How to Apply for Benefits

ENTERPRISE ZONE

Complete the Enterprise Zone Qualification Application and return to Harford County Office of Community & Economic Development with the required site and landscape plans. The application will be reviewed and a letter confirming eligibility of benefits will be sent.

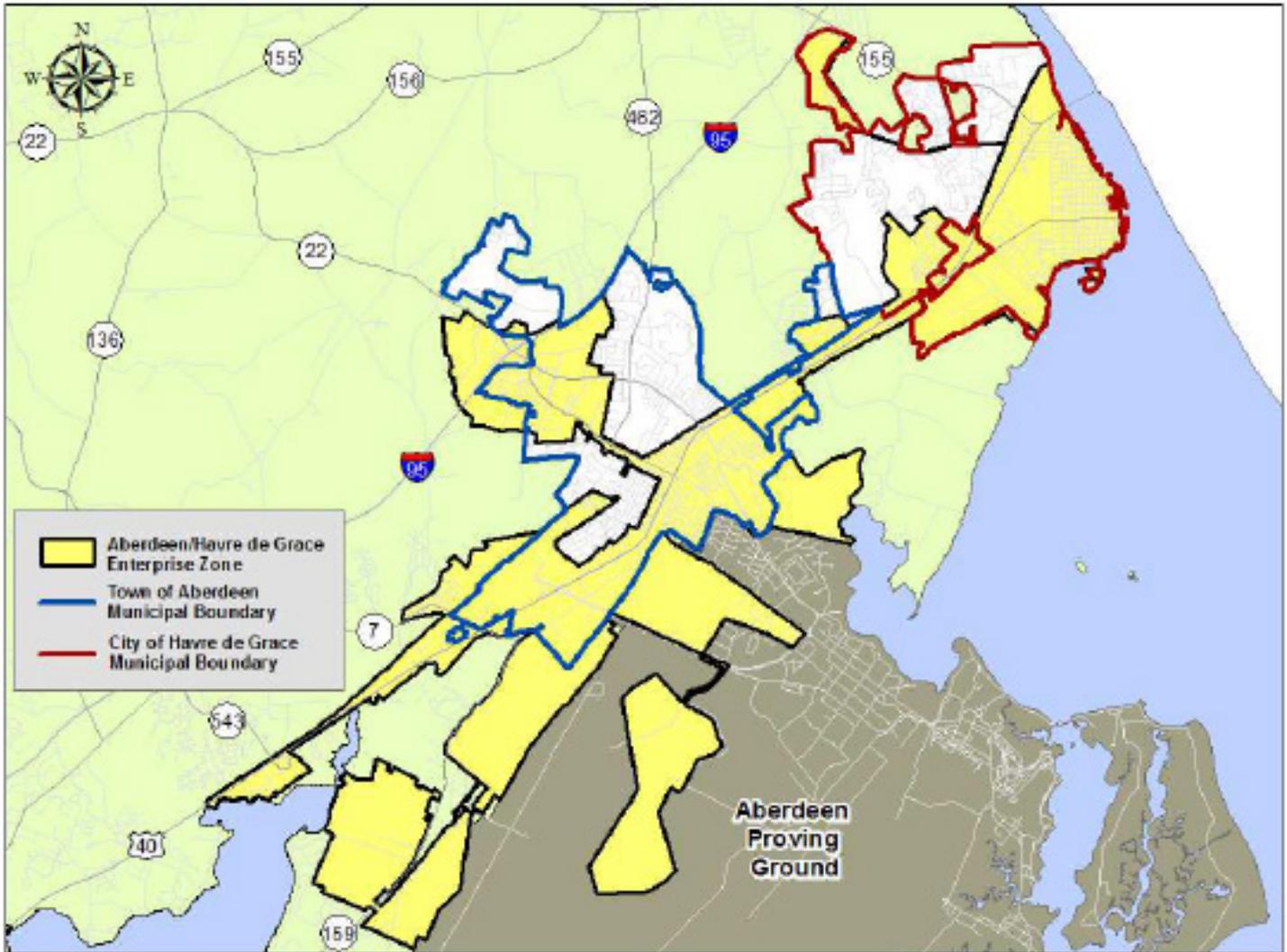
Note: Application, site plan & landscape plan must be submitted no later than October 1 for real property tax credit on the next July 1 tax bill.

- **For REAL PROPERTY TAX CREDITS**, no additional paperwork needs to be completed by applicant. The Office of Community & Economic Development will notify the Maryland Department of Assessments, Maryland Department of Commerce and Taxation and the property owner.
- **For STATE INCOME TAX CREDITS**, submit State of Maryland Tax Form 500CR along with annual return filed with the Comptroller of the Treasury. Form 500CR is used to claim a credit against the income tax for certain wages paid to qualifying employees in the Enterprise Zone.

OTHER PROGRAMS

- **STATE INCOME TAX CREDITS FOR HIRING “ECONOMICALLY DISADVANTAGED” EMPLOYEES**, requires the company to have such employee or potential employee certified through Maryland Department of Labor, Licensing & Regulation. For more details, contact Job Service Division, Susquehanna Region at the Bel Air Office, 410.836.4631.
- **BGE SMART ENERGY SAVERS PROGRAM**: BGE offers a comprehensive portfolio of energy efficiency programs to support businesses in their quest to save energy and operate their businesses more efficiently.

For more information, please refer to <http://bgesmartenergy.com/business/energy-solutions-business> or contact Ammanuel Moore, BGE Director of Economic Development, at 1-800-685-0123 / economicdevelopment@bge.com.



CONTACT FOR FURTHER INFORMATION/APPLICATION

**HARFORD COUNTY
OFFICE OF COMMUNITY &
ECONOMIC DEVELOPMENT**

Enterprise Zone Administrator
2021-D Pulaski Hwy
Havre de Grace, MD 21078
1.888.195.SITE / 410.638.3059

www.harfordcountymd.gov/oced
oed@harfordcountymd.gov

**CITY OF ABERDEEN
DEPARTMENT PLANNING &
COMMUNITY DEVELOPMENT**

60 N. Parke Street
P.O. Box 70
Aberdeen, MD 21001
410.272.1600 / Fax: 410.273.7402

www.aberdeen-md.org

**CITY OF HAVRE DE GRACE
OFFICE OF ECONOMIC
DEVELOPMENT**

711 Pennington Avenue
Havre de Grace, MD 21078
410.939.1800 /
Fax: 410.939.3692

www.havredegracemd.com

GREATER ABERDEEN/HAVRE DE GRACE ENTERPRISE ZONE ELIGIBILITY STANDARDS

The following standards have been developed by the State of Maryland and by Harford County and the Cities of Aberdeen and Havre de Grace. All business entities wishing to receive the benefits of the Greater Aberdeen/Havre de Grace Enterprise Zone must comply with these standards.

1. The business must have been located within the Zone boundaries on the date of designation, relocated to the Zone after the designation date, or started new construction or expansion within the Zone after the designation date.

Designation Date: Greater Aberdeen/ Havre de Grace Enterprise Zone June 15, 2016
(encompassing U.S. 40 and Parts of MD 22, MD 159 and MD 155. See map for exact area.)

2. (a) INCOME TAX CREDITS - MINIMUM QUALIFICATION

Greater Aberdeen/Havre de Grace Enterprise Zone:

For businesses employing ten (10) or fewer full-time equivalent employees, two (2) NEW full-time jobs created must be at least 35 hours per week per new job created at an hourly wage of 150% of minimum wage.

For businesses employing eleven (11) or more full-time equivalent employees, five (5) NEW full-time jobs created must be at least 35 hours per week per new job created at an hourly wage of 150% of minimum wage.

(OR)

- (b) PROPERTY TAX CREDITS - MINIMUM QUALIFICATION

Greater Aberdeen/Havre de Grace Enterprise Zone

For businesses employing ten (10) or fewer full-time equivalent employees, \$100,000 in capital investment above the base level.

For businesses employing eleven (11) or more full-time equivalent employees, \$125,000 in capital investment above the base level.

Proprietorships, partnerships and corporations may be deemed eligible for benefits at the discretion of the Office of Community & Economic Development (OCED) if the employment or capital investment criteria above are met.

ADDITIONAL ELIGIBILITY CRITERIA FOR ENTERPRISE ZONES

Property owners and businesses located within the Greater Aberdeen/Havre de Grace Enterprise Zone may be certified for incentives if the primary business activity conducted on the properties is in the general public interest and consistent with any of the following categories: (1) research and development; (2) offices; (3) manufacturing, fabrication and assembly; (4) warehousing and distribution (outside the City of Aberdeen and the City of Havre de Grace); (5) services excluding mini-storage and self-storage facilities; (6) retail (employing 5 or more persons, but excluding convenience stores, gasoline stations, and fast food establishments. Note for clarification, fast food establishments are those eateries that do not have both a sit-down area AND a wait staff); (7) tourism activities; (8) hospitality services; and (9) professional or personal commercial services.

Additionally, resident and new businesses within the Greater Aberdeen/Havre de Grace Enterprise Zone must create a minimum of two (2) NEW full-time jobs above the base employment level, and which must be at least 35 hours per week at an hourly wage of 150% of minimum wage) above the base employment level for those businesses employing ten (10) or fewer full-time equivalent employees. For those businesses employing eleven (11) or more full-time equivalent employees, resident or new businesses within the Greater Aberdeen/Havre de Grace Enterprise Zone must create a minimum of five (5) NEW full-time jobs above the base employment level, and which must be at least 35 hours per week at an hourly wage of 150% of minimum wage.

- OR -

Make a capital investment of at least \$100,000 above the base level for those properties capable of sustaining businesses cumulatively employing ten (10) or fewer full-time employees (full-time jobs must be at least 35 hours per week at an hourly

wage of 150% of minimum wage) level - AND - execute a Jobs Agreement committing best efforts to increase meaningful employment opportunities for low-to-moderate income persons residing within the Greater Aberdeen/Havre de Grace area to be eligible for any real property and income tax incentives. For those properties capable of leasing to businesses employing eleven (11) or more full-time employees, property owners or resident or new businesses within the Greater Aberdeen/Havre de Grace Enterprise Zone must make a capital investment of at least \$125,000 above the base level - AND – strive to increase meaningful employment opportunities for low-to-moderate income persons residing within the Greater Aberdeen/Havre de Grace area to be eligible for any real property and/or income tax incentives.

Any property owner or resident business seeking incentives through the Greater Aberdeen/Havre de Grace Enterprise Zone must be in full compliance with all state and local laws, codes and ordinances governing the use and occupancy of its premises. If such is not the case, then, prior to consideration of any incentives, or as a condition of local approval of the planned expansion or major improvements, all items not in compliance shall be brought into compliance prior to receipt of any incentives.

Moreover, any property owner or resident business seeking Enterprise Zone incentives through the Greater Aberdeen/Havre de Grace Enterprise Zone must be in full compliance with all federal, state and local laws, codes, ordinances and standards governing the use and occupancy of its premises, including historic preservation regulations in Harford County and the municipalities. If such is not the case, then, prior to consideration of any incentives, or as a condition of local approval of the planned expansion or significant improvement, all items not in compliance shall be brought into compliance prior to receipt of any incentives.

Moreover, any applicant seeking incentives with respect to real property tax credits shall comply with Aberdeen, Havre de Grace, Aberdeen Proving Ground or Harford County development and design standards, whichever is appropriate based on the property's location. The above incentives are subject to review by appropriate planning and zoning entities associated with Harford County, the City of Aberdeen, or the City of Havre de Grace.

For areas outside of Aberdeen Proving Ground, any property owner or resident business seeking incentives with respect to real property tax credits shall (1) install curb and gutter at all entrances to its property to insure proper drainage within the public access road; (2) pave all on-site areas used for parking, loading and vehicular circulation with an impervious, dust-free surface; (3) effectively screen all dumpster and refuse collection areas, and outdoor storage; (4) landscape a minimum area of 5% of the total site, including the planting of area theme-specific street trees at no less than 30-feet on center along the property fronting the public access road; (5) provide a minimum sidewalk width of 5 feet along all public road frontage; (6) comply with other development and design standards that may be in existence or developed in conjunction with the Route 40 Business Association, the Aberdeen Economic Development Commission as part of the Aberdeen Revolving Loan Fund, Inc., Havre de Grace Main Street, Inc., the City of Aberdeen, the City of Havre de Grace or Harford County Government as determined by the location of the property, and (7) by submission of a Qualification Application, agree to replace any plantings, on the subject property, that die or are destroyed within 8 months of such loss or occurrence during the entire term the real property tax credits are issued. With respect to item (4) herein, the approved trees to be placed on the property include Serviceberry, Redbud, October Glory Maple, Kwanzan Cherry, Pin Oak, Willow Oak, Flowering Dogwood. In addition, the placement of such trees in the utility right-of-way must comply with the BGE (a division of Constellation Energy) program entitled "Right Tree, Right Place." Additional information from BGE is available through their Forestry Unit.

Property owners and businesses must complete a Qualification Application for Enterprise Zone eligibility prior to any consideration being given to real property and/or income tax incentives. The application shall require relevant information, including but not limited to, name and address of the business/property owner, verification of increases in employment, certification of costs for new construction or major renovations, etc. Applications for real property tax credits on parcels within the City of Aberdeen and the City of Havre de Grace must be jointly submitted to the City within which the property is situated and the Harford County Office of Community & Economic Development. For any property owner seeking incentives within the City of Aberdeen or the City of Havre de Grace, such applicants must comply with all development and design standards established and required by the said municipality in addition to the design and landscape standards set forth herein.

GREATER ABERDEEN/HAVRE DE GRACE ENTERPRISE ZONE QUALIFICATION CHECKLIST

This form is for your reference only. For assistance, please call Harford County OCED at (410) 638-3059.

BEFORE SUBMITTING APPLICATION(S):

- _____ Determine that the business property is in the Greater Aberdeen/Havre de Grace Enterprise Zone
- _____ Meet minimum eligibility criteria for Jobs OR Capital Investment:
 - _____ New job(s) created “or”
 - _____ New construction “or”
 - _____ Rehabilitation of property “or”

APPLICATION(S): Submit a “Qualification Application” to the Office of Community & Economic Development

- _____ Property Tax Credits: Submit form immediately when applying for building permit.
- _____ Income Tax Credits: Indicate on form if you intend to apply for state income tax credits.

Property Tax Credits (PTC) ONLY: Submit one (1) copy of both a Site Plan and a Landscape Plan, which illustrates that the following prequalification standards have been met:

- _____ Curb and gutter are installed at all entrances to property to insure proper drainage within the public access road.
- _____ All on-site areas used for parking, loading and vehicular circulation are paved with an impervious, dust-free surface.
- _____ All dumpster, refuse collection areas, and outdoor storage are effectively screened. A minimum area of 5% of the total site is landscaped, including the planting of area theme-specific street trees (specifically, willow oaks or crabapples) at no less than 30-feet on center along the property fronting the public access road.
- _____ A minimum sidewalk width of 5 feet has been provided along all public road frontage.

BEFORE SUBMITTING APPLICATION(S):

- _____ Enterprise Zone Administrator sends an approval letter or an explanation for disapproval. (Copies of the approval letter are submitted by OCED to appropriate local and state agencies.)
- _____ **Property Tax Credits (PTC) ONLY:** Property tax credits will automatically appear on Harford County tax bills in July. (Credits will not appear on half-year tax bills in January. Please pay any half-year taxes owed.)
- _____ **Income Tax Credits (ITC) ONLY:** Contact the Job Service Division, Susquehanna Region, Bel Air Office 410.836.4631 to review list of employees and determine individual eligibility as “disadvantaged” or “non-disadvantaged.”

REAL PROPERTY TAX CREDIT GREATER ABERDEEN/HAVRE DE GRACE ENTERPRISE ZONE APPLICATION

MINIMUM COST OF PROJECT FOR ELIGIBILITY IS \$100,000 AND/OR 2 NEW FULLTIME JOBS CREATED
(Minimum of 35 hours per week per job at 150% of minimum wage)
Proof of Expenditures on construction/rehabilitation may be required

APPLICATION MUST BE RECEIVED ON OR BEFORE **OCTOBER 1ST**
FOR REAL PROPERTY TAX CREDIT TO BEGIN THE FOLLOWING JULY 1ST

PLEASE PRINT

Name of Applicant: _____ NAICS Code: _____
Contact Person: _____ Title: _____
Mailing Address: _____ City _____
State: _____ Zip _____ Email: _____
Office# _____ Fax # _____ Cell # _____

Name of Property Owner (if different): _____
Address of Property Owner (if different): _____
City _____ State: _____ Zip _____ Email _____
Office # _____ Fax# _____ Cell# _____
If owner(s) are members of an LLC please list the names: _____

Parent Corporation (if applicable): _____
Address of Corporate Headquarters: _____
City: _____ State: _____ Zip: _____
Name of Corporate Contact Person: _____ Office# _____

Address of Property located in the Enterprise Zone: _____
City: _____ State: _____ Zip: _____
Type of Business in Zone: (Comm, Retail, Manu, Dist): _____
Property Tax District Number(two digits): _____ Liber _____ Folio _____
Property Tax Account Number(six digits): _____

Is this Project: New Construction: _____ Expanding: _____ Relocating: _____
Prior Location (if applicable): _____
Project Starting Date: _____ Expected Completion Date: _____

Cost of Project

(Land) \$ _____
(Building) \$ _____
(Machinery & Equipment) \$ _____
(Sq. Ft) _____

(The Local Real Property Tax Credit calculation is based on the value added above the currently assessed value of the property).

Current No. of Employees: Full-Time: _____ Part-Time: _____
Number of New Full-Time Jobs Created (2 or more): _____
Number of New Part-Time Jobs Created: _____
Hourly Wage for New Jobs (without benefits) Full -Time \$ _____ Part-Time \$ _____

NOTE: By submission of and signature on the Qualification Application, the business creating new jobs agrees (through its owner, principal, employee or authorized agent) to provide a written report to the Harford County Office of Community Economic Development (specifically, to the Enterprise Zone Administrator) on the number of new full-time and new part-time jobs created for each calendar year until the end of the Enterprise Zone designation on June 1, 2026. Further, to continue receiving the Tax Credits there must be an active business use on the subject property. Such information regarding new jobs created must be submitted no later than March 1st of each calendar year for the prior calendar year. This information is required for compilation of an annual report to the Maryland Department of Commerce.

Signature of Person Completing this Form: _____
Printed Name: _____
Position/Title: _____ **Date:** _____

Please submit application as follows:

1. For projects located within the City of Aberdeen:
Send one signed original to the Department of Planning, City of Aberdeen, P.O. Box 70, Aberdeen, MD 21001 **AND** a second signed original to Harford County Office of Community & Economic Development, ATTN: Enterprise Zone Administrator, 2021 E. Pulaski Highway, Havre de Grace, MD 21078.
2. For projects located within the City of Havre de Grace:
Send one signed original to the Department of Planning, City of Havre de Grace, 711 Pennington Avenue, Havre de Grace, MD 21078 **AND** a second signed original to Harford County Office of Community & Economic Development, ATTN: Enterprise Zone Administrator, 2021 E. Pulaski Highway, Havre de Grace, MD 21078.
3. For projects located at Aberdeen Proving Ground:
Send one signed original to the Director of Plans, Training & Mobilization, Commander, U.S. Army Garrison Activity, ATTN: STEAP-PF, APG, MD 21005-5001, **AND** a second signed original to Harford County Office of Community & Economic Development, ATTN: Enterprise Zone Administrator, 2021 E. Pulaski Highway, Havre de Grace, MD 21078.
4. For projects located in Harford County:
Send one signed original to Harford County Office of Community & Economic Development, 2021-D, Pulaski Highway, Havre de Grace, MD 21078, ATTN: Enterprise Zone Administrator.