



HARFORD COUNTY

ECONOMIC DEVELOPMENT

BARRY GLASSMAN, COUNTY EXECUTIVE

KAREN HOLT, DIRECTOR

Edgewood/Joppa

Enterprise Zone

Business retention and expansion, job creation and the revitalization of the
Chesapeake Science & Security Corridor



Economic Development
2021-D Pulaski Highway
Havre de Grace, MD 21078

410.638.3059

1.888.195.SITE

oed@harfordcountymd.gov

www.harfordcountymd.gov/oed

Edgewood/Joppa Enterprise Zone

Enterprise Zone Objectives

The Edgewood/Joppa Enterprise Zone is one of two Enterprise Zones in Harford County. The zones are designated by the Maryland Department of Commerce to:

- Insure business retention, increase business expansion and attract new businesses
- Encourage the creation of well-paying new jobs
- Promote development and occupancy of vacant, underutilized land and buildings
- Revitalize older industrial areas of Harford County

Edgewood/Joppa

- Re-designated June 2014
- 3,900+ acre zone
- Zone boundaries MD24, US40, MD755, MD152 & RT7
- Business parks located within the zone
 - Lakeside Business Park
 - Fashion Park
 - Emmorton Business Park
 - William Paca Business Park
 - Clayton Station
 - Magnolia Business Park
 - Joppa Commerce Center
 - Woodbridge Shopping 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

- \$50,000

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 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

- 5 new

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 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 Maryland 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 and the Cities of 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 industrial and commercial base of the County
- 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 Economic Development with the required site and landscape plans.

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.

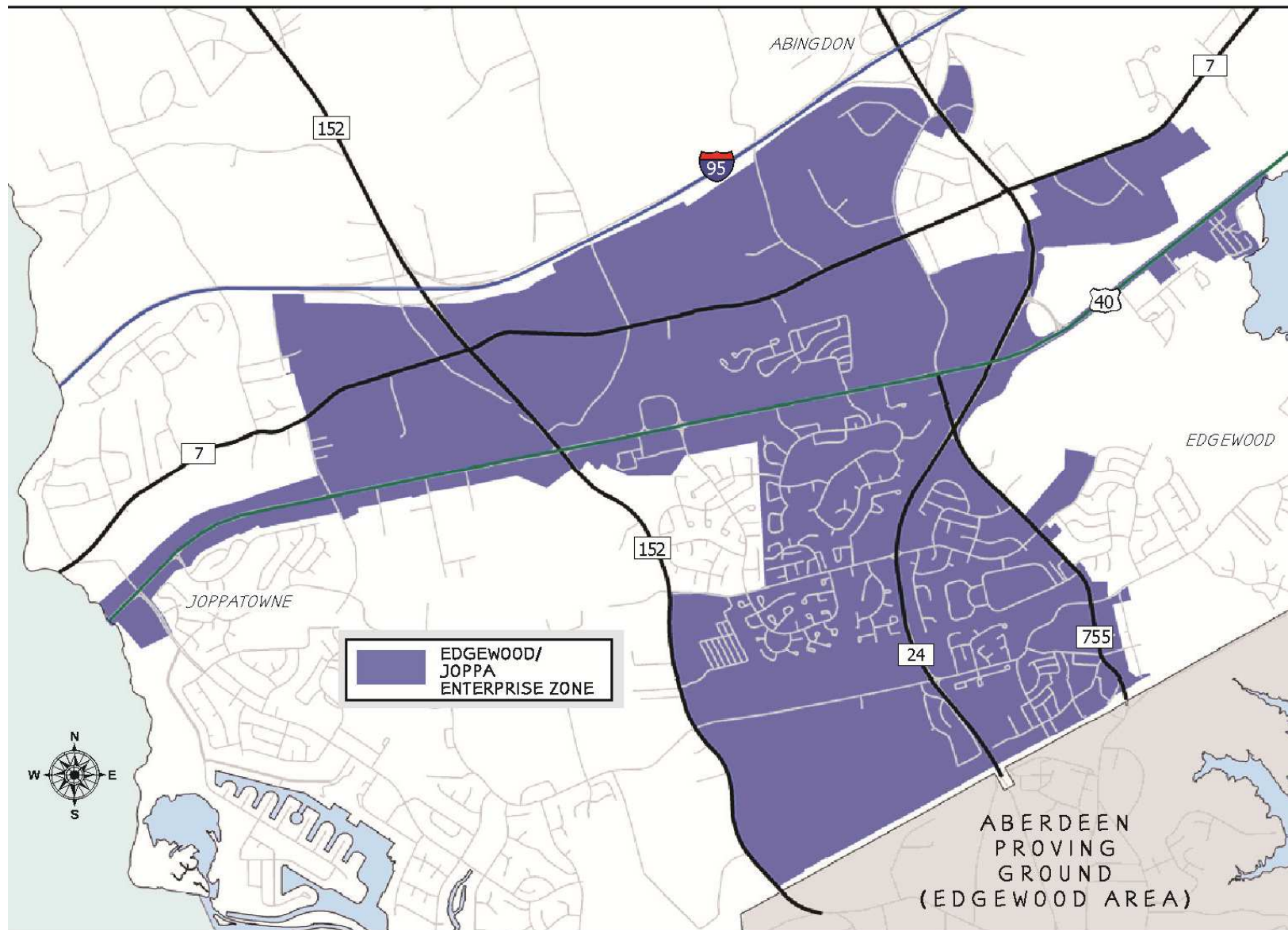
- For **REAL PROPERTY TAX CREDITS**, no additional steps need to be taken by the applicant after the application and documentation is submitted. The application will be reviewed by the Enterprise Zone Administrator for eligibility purposes and submitted to the County Council for approval by resolution. Once the Council approves the property for Enterprise Zone tax credits the Enterprise Zone Administrator will mail a certification of qualification letter to the Maryland State Department of Assessments and Taxation, Maryland Department of Commerce, Harford County Department of Treasury and the property owner.

OTHER PROGRAMS

- For **STATE INCOME TAX CREDITS**, submit 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. For more details, contact Job Service Division, Susquehanna Region at the Bel Air Office, 410.836.4631.
- **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.

Edgewood/Joppa Enterprise Zone Map



CONTACT FOR FURTHER INFORMATION/APPLICATION

Harford County
Office of Economic Development
Enterprise Zone Administrator
2021-D Pulaski Hwy
Havre de Grace, MD 21078
1.888.195.SITE / 410.638.3059
www.harfordcountymd.gov/oed

EDGEWOOD/JOPPA ENTERPRISE ZONE ELIGIBILITY STANDARDS

The following standards have been developed by the State of Maryland and by Harford County. All business entities wishing to receive the benefits of an 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: Edgewood/Joppa Enterprise Zone June 1, 2014
(Encompassing U.S. 40, MD 7 and
MD 755, MD 152. See map for exact area.)

2. (a) INCOME TAX CREDITS - MINIMUM QUALIFICATION

Edgewood/Joppa Enterprise Zone = 5 **NEW** full-time jobs created (minimum of 35 hours per week per job at an hourly wage of 150% of minimum wage).

(OR)

- (b) PROPERTY TAX CREDITS - MINIMUM QUALIFICATION

Edgewood/Joppa Enterprise Zone = \$50,000+ capital investment

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

ADDITIONAL ELIGIBILITY CRITERIA FOR ENTERPRISE ZONES

Property owners and businesses located within the Edgewood/Joppa 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/distribution; (5) services; and (6) retail (**employing 5 or more persons**), **but excluding convenience stores, gasoline stations, and fast food establishments**. **For clarification, fast food establishments are those eateries that do not have both a sit-down area AND a wait staff.**

Additionally, property owners or resident and new businesses within the Edgewood/Joppa Enterprise Zone may create a minimum of five (5) **NEW** full-time jobs that are at least 35 hours per week per new job at an hourly wage of 150% of minimum wage - or - make a capital investment of at least \$50,000 - and strive to increase meaningful employment

opportunities for low-to-moderate income persons residing within the Edgewood/Joppa area to be eligible for any real property and income tax incentives.

Any property owner or resident business seeking incentives through the Edgewood/Joppa 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 incentives with respect to 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 with an impervious, dust-free surface all on-site areas used for parking, loading and vehicular circulation; (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 (specifically, **Serviceberry, Redbud, October Glory Maple, Kwanzan Cherry, Pin Oak, Willow Oak, Flowering Dogwood**) 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; and (6) comply with other development and design standards that have been developed in conjunction with the Route 40 Business Association and the Edgewood Community Planning Council, and which would be in effect at the time such incentives are sought. All of the above incentives are subject to review by Harford County Planning & Zoning to ensure compliance.

Property owners and businesses must complete an application for Enterprise Zone eligibility prior to any consideration being given to real property and 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.

**EDGEWOOD/JOPPA ENTERPRISE ZONE
QUALIFICATION CHECKLIST**

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

BEFORE SUBMITTING APPLICATIONS:

_____ Determine that the business property is in the Edgewood/Joppa 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 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.

AFTER SUBMITTING APPLICATION(S):

_____ Enterprise Zone Administrator sends an approval letter or an explanation for disapproval. (Copies of the approval letter are submitted by OED 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

EDGEWOOD/JOPPA ENTERPRISE ZONE APPLICATION

MINIMUM COST OF PROJECT FOR ELIGIBILITY IS \$50,000 AND/OR 5 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): _____
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) _____

Current No. of Employees: Full-Time: _____ Part-Time: _____
Number of New Full-Time Jobs Created (5 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 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, 2024. 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 Application: _____
Printed Name of Person Completing Application _____
Position/Title: _____ **Date:** _____

**Please submit application to: Harford County Office of Economic Development
Attn: Enterprise Zone Administrator
2021-D Pulaski Highway
Havre de Grace, MD 21078**