

V. Eligibility Requirement**Result (2): Round to the nearest one**

Poverty Level	The population is a low income poverty are in which the proportion of family with less that poverty rate incomes is at least 1.25 times the national proportion.
Date Source:	US Census-American Community Survey 2014:5-year estimates :Percentage of families and people whose income in the past 12 months is below the poverty level.

United States	11.50%	14%
---------------	--------	------------

Jurisdiction		Eligibility
Census Tract 9501, Kent County, Maryland	2	FALSE
Census Tract 9502, Kent County, Maryland	4	FALSE
Census Tract 9503, Kent County, Maryland	13	FALSE
Census Tract 9504, Kent County, Maryland	4	FALSE
Census Tract 9505, Kent County, Maryland	2	FALSE
Census Tract 9900, Kent County, Maryland	-	-
Betterton town, Maryland	3	FALSE
Chestertown town, Maryland	14	Yes
Galena town, Maryland	0	FALSE
Millington town, Maryland	13	FALSE
Rock Hall town, Maryland	1	FALSE

MAP DESCRIPTIONS OF BOUNDARIES

The proposed Enterprise Zone consists of Chestertown's commercial, industrial and some institutional areas. Commercial areas include the historic downtown business district and the shopping districts located along MD Route 213 near Washington College and northward into unincorporated area where there is a large, undeveloped tract. There is also a large, undeveloped tract within the town limits adjacent to the downtown business district that is zoned for mixed use. This tract also has frontage along Radcliff Creek. Within the town limits, the industrial areas are located along High Street and the MD Route 291 "Bypass." Additional industrial areas are located along MD Route 291 east of town limits. Institutional areas include Washington College

and the University of Maryland, Shore Medical Center at Chestertown which are located near MD Route 213.

INSTITUTIONS

Properties that are currently owned by Washington College and University of Maryland, Shore Regional Health and zoned Institutional are included in the Enterprise Zone to allow the potential for tax abatements and credits in the future. The Enterprise Zone benefits could apply in several scenarios.

- A for-profit company providing services at the Institutions (such as Chartwell's Dining Services at the College and health-related services at the hospital) could benefit when adding new services and employees.
- Should a College or health-system property change ownership and the new owner request a zoning change for commercial purposes, the EZ benefits would be readily available without the Town having to apply for an expansion of the Zone.
- Unrelated business income. The College or health system would have extra incentive to create business enterprises, alone or in partnership with a private business entity, that create jobs. Examples would be that privately owned residence halls are developed on College's property, or the College finds a partner who would run a boutique hotel developed on their property.

Healthcare in rural communities is changing rapidly, and the hospital's ultimate role in Kent County is part of a major study being administered by the Maryland Health Care Commission as mandated by the Maryland Assembly. Inclusion in the Enterprise Zone can encourage new wellness programs that could spur capital investment and jobs.

PROJECTS

Kent County has no recent, current or ongoing projects located within the Enterprise Zone. However, there are two major construction projects that should spark more investment in the downtown area. The Chestertown Marina, which was purchased by the Town of Chestertown in 2012 to preserve the Town's last remaining public access to the Chester Rivers, will ultimately be an attractive waterfront park with boat dockage and services and an interpretive center for area history and ecology. It is expected to draw boaters, visitors and locals. The Sultana Education Foundation's new Education Center is nearing completion on Cross Street will more than double the number of school children who visit Chestertown to learn about the Chesapeake Bay. There have been a number of promising proposals and inquiries in the past 18 months, including the expansion of a retail location and a corporate campus with warehouse and office space.

The Enterprise Zone designation will provide the incentive for business owners and entrepreneurs to build on undeveloped land or make significant improvements to their current properties that are necessary for increased revenues and job growth.

MANAGEMENT PLAN

The Chestertown Kent County Enterprise Zone will be administered by the Kent County Economic Development Office. The Economic Development Office will be responsible for all administrative functions related to the enterprise zone, including;

- Processing businesses' applications to claim tax credits under the program.
- Coordinating documentation and approval of tax credits with the County tax office.

- Answering questions about the program and assisting businesses with their applications.
- Submitting annual reports to the Maryland Department of Commerce.

The process in which a property and/or business owner becomes eligible for tax credits is as follows:

1. Property owner submits application (Appendix A) to Kent County, Economic Development Office.
2. A real property search through the State Department of Assessment and Taxation is conducted to verify property owner, parcel number, and account number.
3. Parcel number is researched through the County GIS to verify the parcel is located in the enterprise zone.
4. Site visit is conducted to verify improvements listed on application are being made.
5. A draft resolution approving the real property tax credit is composed for submission to either the County Commissioners or the Town Council, depending on which jurisdiction includes the property.
6. A fiscal impact note is requested from the Department of Finance.
7. The Economic Development Office provides the County Commissioners or Town Council the following:
 - a) Copy of application
 - b) Map of the property
 - c) History of property (if applicable)
 - d) Description of the improvements
 - e) Financial impact of improvements

- f) Description of new jobs/retained jobs (if applicable)
8. Once the real property tax credit is approved by County Commissioners or the Town Council, the following items are sent to the Director of the Maryland Department of Assessments and Taxation:
- a) Letter from the Economic Development office stating the property is eligible to receive property tax credits
 - b) Copy of the signed resolution authorizing eligibility
 - c) Copy of the application
 - d) Copy of the real property search
9. If the Enterprise Zone applicant will also be creating new jobs, Economic Development assists the business with the Maryland Department of Commerce process of applying for the Income Tax Credit.
10. The Economic Development Office is required to give Commerce an annual report on the Enterprise Zone therefore all the following items are tracked throughout the year:
- a) # of Businesses
 - b) # of jobs
 - c) # of applications
 - d) Amount of capital investment
 - e) Property Account #
 - f) Industry
 - g) # of net new jobs
 - h) # of rehabilitations

MARKETING

The Chestertown Kent County Enterprise Zone will be promoted by the Town and County Economic Development Offices. Information about the Enterprise Zone will be posted on the Town and the County's websites. Advertisements will be placed in the Kent County News and the Tidewater Trader. WCTR radio will air informational spots to promote the Enterprise Zone. Economic Development personnel will appear on WCTR's Moore and Les in the Morning, morning show and Talk of the Town afternoon show to discuss the benefits of the Enterprise Zone designation. WKHS radio will also provide air time to discuss and promote the Enterprise Zone for the Economic Development offices. Rack cards will be designed and handed out when Economic Development personnel are visiting businesses and attending events. Economic Development personnel will partner with Real Estate brokers to promote the designation to prospective businesses.

APPLICATION FOR ENTERPRISE ZONE CERTIFICATION

Page 1 of 2

Appendix A

Type of Application: ☐ New Certification
☐ Recertification

Type of Tax Credit Applying for: ☐ State Income Tax Credit
☐ Local Property Tax Credit
☐ Both Tax Credits

(A) BUSINESS INFORMATION:

Business Name: _____

Legal Status: ☐ Corporation ☐ Proprietorship ☐ Partnership ☐ Other

Contact: [Name]_____ [Title]_____

[Phone]_____ [Email] _____

Business Address:_____

Facility Address (if different from a business address):_____

FEIN:_____ Unemployment Insurance #:_____

Type of Business:_____ NAICS: _____

Is the business located in the Enterprise Zone now ☐ Yes ☐ No

If yes, since what year: _____

Is the business relocating from another place? ☐ Yes ☐ No

If yes, where was the previous location? _____

Is the business a new/start-up? ☐ Yes ☐ No

Did the Enterprise Zone benefits affect your decision to locate at this address?

☐ Yes ☐ No

If yes, please explain how the Enterprise Zone benefits will assist your business?

Page 2 of 2

(B) PROPERTY INFORMATION

Property ID Number: _____

Property Ownership: ☐ Own☐ Lease (Provide Information of the Property Owner)

[Name] _____

[Address] _____

[Phone/Email] _____

Property Improvement Information:

☐ Purchase Only: \$ _____☐ Renovation: Estimated Costs: \$ _____☐ New Construction: Estimated Costs: \$ _____☐ Machinery & Equipment: Estimated Costs: \$ _____**(C) EMPLOYMENT INFORMATION**

Current Employment (as of date of this application)

Number of Full-Time Employees: _____ *Number of Part-Time Employees:* _____

Estimated New Hiring in the Enterprise Zone (in next 12 months)

Number of Full-Time Employees: _____ *Number of Part-Time Employees:* _____

Name of Applicant: _____ Date: _____

Position/Title: _____ Signature: _____