RESOLUTION 1109-01-2019
9 NOVEMBER 2019

RE: NEW LOCAL BUSINESS INCENTIVE

RECITALS

1. Whereas the Town of Hancock is an economically depressed community and is so designated by the State of Maryland as “severely economically depressed,” and is an economic Opportunity Zone, and

2. Whereas the designation as a Economic Opportunity Zone targets large business that create forty or more jobs, and

3. Whereas the Town of Hancock recognizes the majority of existing and potential new business will not meet the criteria to take advantage of the incentives provided by the State of Maryland to locate within the Town of Hancock, and encourages new small business to locate within the Town, and

4. Whereas the Town recognizes that there are actions to be taken by the Town that will encourage new business to start within the Town and to create jobs and opportunity for the Town’s residents and

5. The Town will institute a new Local Business Incentive that will encourage new business hereby any new business that locates within a vacant, abandoned or otherwise idle commercial building within the Town of Hancock the Town will

   a. Forego the collection of any local taxes for the duration of twelve (12) months or until such time the new business opens for operation, whichever occurs first and
   b. Forego the collection of fifty percent (50%) of local taxes for the period of the second year of occupation (months 13-24) and

6. Tenants or lessees of buildings meeting the criteria as stipulated in paragraph 5 will receive a tax benefit in the form of a stipend from the Town of Hancock in the amount of taxes collected from the building owner; the owner of the building will continue to be taxed at the existing rate in accordance with the existing tax prior to the building being rented; the business incentive will then be paid to the tenant business at the end of the calendar year that the taxes were collected from the building owner, and,

7. Building owners of previously vacant buildings can receive the tax incentive if they demonstrate a clear indication of opening a business within that building; these indications can include obtaining a business license, securing a building permit and/or hiring employees, and

8. If, in the event the business does not open within the twelve-month period during which no municipal taxes are collected, all such local taxes will be assessed from the original date of application and the owner of the building will then be taxed according to existing statutes and regulations thereafter, and
9. The start date of the twelve-month period will commence upon the new business owner obtains a new commercial zoning certificate from the Town of Hancock and expire twelve months thereafter or until the business opens, and

10. This Resolution will take effect on 1 January, 2020.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the Town of Hancock, Maryland, does hereby approves and confirms the New Local Business Incentive in Hancock, MD 21750 this 16th day of November, 2019.

ATTEST:

Joseph Gilbert, Town Manager

TOWN COUNCIL
TOWN OF HANCOCK, WASHINGTON COUNTY, MARYLAND

Ralph Salvagno, Mayor