

JOINT RESOLUTION

THE CITY OF CUMBERLAND, MARYLAND and ALLEGANY COUNTY, MARYLAND

CITY RESOLUTION NUMBER: 2012- 05

COUNTY RESOLUTION NUMBER: 12- 8

WHEREAS, the City of Cumberland and Allegany County have established the Allegany County Gateway Enterprise Zone and have jointly adopted certain local standards for said Zone; and

WHEREAS, an Enterprise Zone Advisory Committee was appointed to administer the Zone; and

WHEREAS, said Advisory Committee has recommended that Article I, Section F. of the local standards be amended.

NOW, THEREFORE, BE IT RESOLVED:

That the Mayor and City Council of Cumberland, Maryland and the Board of County Commissioners of Allegany County, Maryland, do hereby amend the Allegany County Gateway Enterprise Zone Local Standards to limit certain businesses qualifying as eligible for Enterprise Zone benefits by changing Section F. of Article I under eligible categories to read: "Nursing Homes" only.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of adoption.

ADOPTED THIS 5th DAY OF
June, 2012.

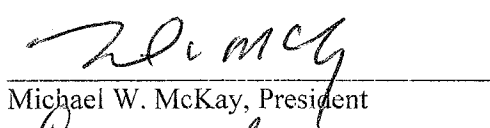
ADOPTED THIS 7th DAY OF
June, 2012.

MAYOR AND CITY COUNCIL OF
CUMBERLAND, MARYLAND



Brian K. Grim, Mayor

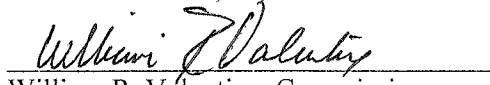
BOARD OF COUNTY COMMISSIONERS OF
ALLEGANY COUNTY, MARYLAND



Michael W. McKay, President



Creade V. Brodie, Jr., Commissioner



William R. Valentine, Commissioner

**ALLEGANY COUNTY GATEWAY ENTERPRISE ZONE
LOCAL STANDARDS**

~~(Updated November 2007~~

Updated May, 2012)

I. Businesses--which shall include, but not be limited to proprietorships, partnerships and corporations--may not be certified by the Enterprise Zone Advisory Committee for participation in the Enterprise Zone program unless they are engaged in activities which may be subsumed under at least one of the following categories:

- A. Manufacturing, defined as the process of producing or assembling goods, by hand or machine, for sale to others.
- B. Research and development.
- C. Tourist or convention services.
- D. Commercial activities in office buildings, which include corporate headquarters or regional offices of the business which is applying for Zone certification.
- E. Business services provided by existing firms with retail sales to the general public, accounting for less than ten percent (10%) of total sales.
- F. ~~Nursing homes, retirement centers, or sheltered housing complexes when these businesses provide a full range of services to residential clients and directly create at least ten (10) new, permanent job opportunities for local residents.~~
- G. Any mercantile, retail or service activity, other than specifically listed above, provided by new or existing firms in the Cumberland Central Business District (as defined by the existing Central Business District Special Taxing District) that create at least three (3) new or additional jobs above a base employment level within a reasonable time period as determined by the Enterprise Zone Advisory Committee.
- H. Warehousing and distribution, if occurring within the former PPG Property Complex.
- I. Retail sales activity provided by new or existing firms located in the Virginia Avenue corridor (VAATR district) in the City of Cumberland, Maryland.

II. Existing businesses in the Enterprise Zone must make an investment or demonstrate a five percent (5%) increase in employment to a minimum of one new job above a base employment level within a reasonable time period as determined by the Enterprise Zone Advisory Committee in order to be certified for participation in the program.

III. Businesses relocating in the Enterprise Zone may not relocate from another section of Cumberland and/or Allegany County and gain Enterprise Zone Certification unless all of the following criteria are met:

- A. Having relocated into the Zone, the business must demonstrate a ten percent (10%) increase in employment over its previous high level for the preceding five (5) years.
- B. The increase in employment must have occurred within the first year of operation in the Zone.
- C. The Advisory Committee must agree by majority opinion that it was impossible for the business to have expanded at its previous location (outside the Zone).

IV. New businesses beginning operations for the first time and locating in the Zone may be eligible for certification by the Advisory Committee, provided that they are in conformance with local standards.

V. Existing businesses, which are seeking to establish a business location in Allegany County for the first time in the Zone, may be eligible for certification by the Advisory Committee provided that they are in conformance with local standards.

VI. A business may not receive certification if the Advisory Committee determines, at its sole discretion, that operations of the business in question would have a significant negative impact on a similar business or businesses located in the City of Cumberland or in Allegany County.

VII. Businesses that are certified as eligible for Enterprise Zone program participation must be recertified annually. Businesses previously certified as eligible, who have been in the program for ten (10) years, will be given an adjusted employment base determined by the average number of employees that company had for years six (6) through ten (10) of its original certification.

At the time of recertification, businesses must demonstrate that their employment level remains in compliance with the standards described herein or must make an investment. Should employment fall below the required level, or should the business be found to be otherwise not in compliance with these standards, the business shall be decertified until such time as the business might qualify for certification.

If a business existing in the Zone, which has been previously certified, makes a capital investment of \$200,000 it shall be exempt thereafter from all employment standards. This \$200,000 capital investment must have been completed within the last twelve (12) months prior to the request for recertification.

In order to properly evaluate any application or re-application, the Advisory Committee may require submission of any and all documents or information as it deems necessary to determine the business' eligibility for initial or continued participation in the program.

VIII. Local government may construct buildings to attract prospective business tenants. The Enterprise Zone Committee may certify such buildings as eligible for Enterprise Zone credits. At such time as a company, which qualifies for Enterprise Zone credits, occupies such a building, the company shall be entitled to property tax credits for said building. However, the building shall be eligible for credits for only ten (10) years beginning with the date of certification of the building and the company occupying said building shall only receive credit for that portion of the ten (10) years that it actually occupies the building.

The above Local Standards are administered by an Advisory Committee appointed by the Mayor and City Council of Cumberland and the Board of County Commissioners of Allegany County, Maryland. For more information regarding Local Standards, contact Mr. Timothy J. Carney, Allegany County Department of Economic Development, at 301-777-5967.