



Resolution

15-33

August 11, 2015

A RESOLUTION TO AMEND AND REPLACE RESOLUTION 15-2 WHICH ESTABLISHED THE BUSINESS REINVESTMENT & INFRASTRUCTURE DEVELOPMENT GRANT ENTERPRISE (BRIDGE) PROGRAM

Whereas, the County Commissioners of Queen Anne's County are committed to providing economic development grant funds for attracting new businesses to Queen Anne's County and expand the County's commercial base, and

Whereas, the County Commissioners, consistent with Resolution No. 12-19, have committed \$0.50 of the recordation tax collected to establish a dedicated funding source for economic development projects, and

Whereas, the County Commissioners recognize the need of prospective businesses seeking to locate in Queen Anne's County to have access to capital for building acquisition, construction and renovation; equipment and machinery purchases, and infrastructure upgrades-in order to generate employment opportunities for county citizens, and

BE IT THEREFORE RESOLVED, by the County Commissioners of Queen Anne's County that the following supersedes:

SECTION I. The Queen Anne's County Business Reinvestment & Infrastructure Development Grant Enterprise (BRIDGE) Program is hereby established, hereinafter referred to as the "BRIDGE Program".

SECTION II. The BRIDGE Program will be administered by the County Commissioners of Queen Anne's County with input and administrative support from the BRIDGE Committee comprised of the Queen Anne's County Administrator, Economic Development Director and Finance Director. Eligibility, Awarding of Incentives and Compliance for the BRIDGE Program will be as follows:

Eligibility

- (1) Projects must be a new business undertaking building construction or improvements, leasing or purchasing of property or site redevelopment.
- (2) Projects must be in one of four (4) target industry sectors: advanced manufacturing, agriculture/seafood, high technology (IT, cyber security, life sciences, etc.) or hospitality/tourism.
- (3) Projects must commit to a minimum investment of \$200,000.
- (4) BRIDGE funds may be used for equipment purchases, site acquisition, building construction and improvements, infrastructure upgrades and working capital.
- (5) Projects must create a minimum of five (5) full-time jobs within two years of receiving funding.
- (6) Projects must have a projected overall average salary for the operation that is equal to the average private sector salary or wage rate for jobs in Queen Anne's County.
- (7) Only those full-time jobs that work at least 1,800 hours annually with a starting salary or wage rate that is at least 90% of the average private sector wage rate for jobs in Queen Anne's County will be used to determine the incentive amount awarded for funding and applied towards the project's compliance with terms and conditions of the funding agreement.
- (8) Funding will require that the overall average salary or wages for the operation during the term of the funding be at or above the current average private sector salary or wage rates in Queen Anne's County in order to be in compliance.
- (9) Jobs in the hospitality/tourism sector in which the wages are primarily based on tips and gratuities may be granted an exemption from the aforementioned salary requirement.
- (10) Full-time Equivalent (FTE) Jobs may be necessary for certain projects; therefore, two part time jobs may be considered as one FTE job provided the hourly wage rate for the FTE job is at least 90% of the wage rate for private sector jobs in the County and the total hours for the FTE job are at least 1,800 hours for the year. Hospitality/tourism jobs which are based on tips and gratuities may be granted an exemption from the aforementioned wage requirement used to create a FTE position.
- (11) FTE jobs shall not represent more than 25% of the Project's overall full-time employment.

(12) The County Commissioners shall make the final determination and approval on the award of any and all grant funds under this program.

Awarding of Incentives

- (1) The maximum BRIDGE grant for a project shall be \$750,000 unless the project meets the criteria listed in section (5).
- (2) The maximum amount a project will be awarded will be based on a total value per new full-time jobs or 70% of the project cost, whichever is the lesser amount. The incentive value for a new full-time job shall be based on the following:

<u>Job Salary Range</u>	<u>Incentive Value per New Job</u>
Gratuity or Tip Based Job	\$4,000
\$90% of QAC Private Sector Wage Rate-\$34,999	\$7,000
\$35,000-\$39,999	\$8,000
\$40,000-\$44,999	\$9,000
\$45,000 and Over	\$10,000

- (3) If projects are eligible for a Commercial Real Property Tax Credit (CRPTC) the total amount of a BRIDGE grant and CRPTC shall not exceed \$750,000.
- (4) Projects that receive a BRIDGE grant may be eligible to receive a conventional loan from the BRIDGE in an amount that is up to 50% of the CRPTC. A conventional loan will not count against a project's grant cap of \$750,000.
- (5) Competitive and strategically important projects that will create at least 50 or more qualified full-time jobs within four years of being awarded BRIDGE Funds and have a private investment of at least \$5,000,000 may be eligible for a grant that exceeds the amount determined by the incentive formula or the maximum amount of \$750,000.
- (6) The BRIDGE Committee will utilize for all projects the Return on Investment (ROI) Calculator developed for Queen Anne's County by the Maryland Department of Business and Economic Development (DBED) to analyze the project's economic return to the county. The results will serve as a guide in determining incentives for projects.

Compliance

- (1) All projects awarded BRIDGE funds will have an agreement with the Queen Anne's County Commissioners.
- (2) Agreements will contain performance standards for job creation and investment, and repayment policies based on the project meeting the terms and conditions of the agreement. Agreements will adhere to the requirements of the BRIDGE Program as listed in the Eligibility and Awarding of Incentives sections of this resolution.
- (3) Project compliance will be determined by the BRIDGE Committee using information, including but not limited to, provided by the company and Maryland Department of Labor, Licensing and Regulation.

WITNESS the hands and seals of the County Commissioners of Queen Anne's County, Maryland this 11 day of August, 2015.

ATTEST:

THE COUNTY COMMISSIONERS OF
QUEEN ANNE'S COUNTY

abstained

James J. Moran, President, Commissioner at Large

[Signature]
Jack N. Wilson, Jr., District 1

[Signature]
Stephen Wilson, District 2

[Signature]
Robert Charles Buckley, District 3

[Signature]
Mark A. Anderson, District 4

Margie G. Houch