

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2020 Legislative Session**

Bill No. CB-3-2020

Chapter No. 16

Proposed and Presented by Council Members Franklin, Hawkins, Anderson-Walker, Davis,  
Dernoga, Glaros, Harrison, Ivey, Streeter, Taveras and Turner

Introduced by Council Members Franklin, Hawkins, Anderson-Walker, Davis,  
Dernoga, Glaros, Harrison, Ivey, Streeter, Taveras and Turner

Date of Introduction June 16, 2020

**BILL**

1 AN ACT concerning

2 Healthy Food Priority Area Grocery Store Incentives

3 For the purpose of establishing a Healthy Food Priority Area Tax Credit Program and related  
4 requirements.

5 BY adding:

6 SUBTITLE 10. FINANCE AND TAXATION.

7 Section 10-235.26,

8 The Prince George's County Code

9 (2019 Edition).

10 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,  
11 Maryland, that Sections 10-235.26 of the Prince George's County Code be and the same are  
12 hereby added:

13 SUBTITLE 10. FINANCE AND TAXATION.

14 DIVISION 8. TAX ASSESSMENT, LEVY, AND COLLECTION.

15 **SUBDIVISION 5M. HEALTHY FOOD PRIORITY AREA TAX CREDIT.**

16 **Section 10-235.26. Healthy Food Priority Area Tax Credit Program.**

17 (a) In this Section, the following words shall have the following meanings:

18 (1) **Eligible construction** means new construction of a grocery store or substantial  
19 renovation of an existing grocery store. "New construction of a grocery store" means either (i)  
20 the construction of any new building for a grocery store, whether as a stand-alone building or an

1 addition to an existing building, or (ii) the adaptive reuse of an existing non-grocery store  
2 building (a building not previously used for a grocery store) into a grocery store. “Substantial  
3 renovation of an existing grocery store” means a complete rehabilitation of at least fifty percent  
4 (50%) of the building gross square footage of an existing grocery store (or a vacant space  
5 previously occupied by a grocery store). Eligible construction shall comply with Subsection  
6 (b)(1)(C) of this Section for the subject grocery store to be eligible to receive a tax credit  
7 authorized by this Section.

8 (2) **Grocery store** means a store that

9 (A) has all major food departments, including produce (fruits and vegetables), meat,  
10 seafood, dairy, and canned and packaged goods,

11 (B) has more than 50% of total sales derived from food sales,

12 (C) has more than 50% of total floor space dedicated to food sales, and both has

13 (i) at least 500 square feet dedicated to the sale of produce (fruits and  
14 vegetables), and

15 (ii) at least 500 square feet dedicated to the sale of other perishable goods,  
16 including meat, seafood, and dairy products.

17 The grocery store shall also comply with Subsection (b) of this Section to be eligible  
18 to receive a tax credit authorized by this Section.

19 (3) **Healthy Food Priority Area** means either of the following:

20 (A) An area designated by Council resolution with concurrence of the County  
21 Executive as a healthy food priority area due to a combination of the following factors:

22 (i) Limited availability of fresh fruit, vegetables, and other healthy food options  
23 in the designated area;

24 (ii) A presence of a significant number or share of low-income residents in the  
25 designated area;

26 (iii) Limited transportation options or access for local residents, including limited  
27 access to public transit, in the designated area;

28 (iv) Comments from municipal governments, if applicable; and

29 (v) Any other factors that the County Council and the County Executive  
30 determine are relevant; or

31 (B) An area designated by Council resolution with concurrence of the County

1 Executive as a healthy food priority area due to a vacancy created by a departed grocery store.

2 (4) **Healthy Food Priority Area Tax Credit** means the tax credit prescribed and  
3 awarded in accordance with this Section. The Healthy Food Priority Area Tax Credit is  
4 authorized by Section 9-318 of the Tax-Property Article, Annotated Code of Maryland.

5 (b) **Healthy Food Priority Area Tax Credit.** The County shall award an eighty percent  
6 (80%) annual tax credit against the county personal property taxes for a newly constructed or  
7 substantially renovated grocery store located, at the time of tax credit award, in a healthy food  
8 priority area for the first ten (10) taxable years after both (i) completion of eligible construction  
9 of the newly constructed or substantially renovated grocery store and (ii) expenditure on new  
10 personal property for the newly constructed or substantially renovated grocery store, provided  
11 that the grocery store complies with the following:

12 (1) The grocery store meets or exceeds the following eligibility requirements:

13 (A) For a newly constructed store, the owner or developer of the grocery store shall  
14 have expended on new personal property an amount equal to or greater than \$150,000 or \$25 per  
15 square foot;

16 (B) For a substantially renovated store, the owner or developer of the grocery store  
17 shall have expended on new personal property an amount based on total floor space of the  
18 grocery store as follows:

19 (i) For a grocery store that is 20,000 square feet or less, have expended at least \$5  
20 per square foot;

21 (ii) For a grocery store that is more than 20,000 square feet up to an including  
22 45,000 square feet, have expended at least \$8 per square foot; and

23 (iii) For a grocery store that is more than 45,000 square feet, have expended at  
24 least \$10 per square foot; and

25 (C) At least 35% of the total costs of the actual construction of the newly constructed  
26 or substantially renovated grocery store shall be spent with County-based small businesses or  
27 County-based minority business enterprises, or combination thereof, as verified in writing by the  
28 County MBE Compliance Manager and the Supplier Development and Diversity Division, with  
29 notice within seven (7) days of verification to the Director of Finance, prior to the remittance of  
30 any tax credit proceeds authorized by this Section; and

31 (2) For each of the 10 years that the grocery store receives the Healthy Food Priority

1 Area Tax Credit, the grocery store meets or exceeds the following annual requirements:

2 (A) At least 50% of the annual work hours at the grocery store shall be worked by  
3 residents domiciled in Prince George’s County, Maryland; and

4 (B) The grocery store shall have a minimum wage for its workers of the greater of

5 (i) \$15.00 per hour or

6 (ii) the Maryland Minimum Wage as set forth in the Annotated Code of

7 Maryland.

8 (c) The County MBE Compliance Manager and the Supplier Development and Diversity  
9 Division shall certify compliance with Subsection (a) and Paragraphs (b)(1) and (b)(2) of this  
10 Section in writing to the Director of Finance prior to the remittance of any tax credit proceeds  
11 authorized by this Section. Failure to comply with the annual requirements of Paragraph (b)(2),  
12 above, shall result in the Director of Finance withholding the remittance of tax credit proceeds  
13 applicable to the year for which noncompliance has occurred and may result in a total  
14 cancellation of the award of the Healthy Food Priority Area Tax Credit, as determined by the  
15 County Executive or the County Executive’s designee, with concurrence of the County Council.  
16 Failure of a grocery store to satisfy Subsection (a) and Paragraph (b)(1), above, shall result in  
17 ineligibility to receive the Healthy Food Priority Area Tax Credit.

18 (d) The Director of Finance, in consultation with the County MBE Compliance Manager, the  
19 Supplier Development and Diversity Division, and the Supervisor of Assessments, shall establish  
20 any necessary procedures to implement this Section, including any procedures regarding Healthy  
21 Food Priority Area Tax Credit application, award, remittance, reporting, and compliance.

22 SECTION 2. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45)  
23 calendar days after it becomes law.

Adopted this 14th day of July, 2020.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Todd M. Turner  
Council Chair

ATTEST:

\_\_\_\_\_  
Donna Brown  
Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_ BY: \_\_\_\_\_  
Angela D. Alsobrooks  
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks \*\*\* indicate intervening existing Code provisions that remain unchanged.