

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2013 Legislative Session**

Bill No. CB-78-2013

Chapter No. 67

Proposed and Presented by Council Members Franklin, Campos, Davis, Harrison, Turner

Introduced by Council Members Franklin, Davis, Harrison, Turner, Olson,  
Lehman, Toles and Patterson

Date of Introduction October 22, 2013

**BILL**

1 AN ACT concerning

2 Local Entrepreneurship and Economic Development

3 For the purpose of authorizing the Economic Development Incentive Fund to be used to  
 4 encourage the development and sustainability of locally owned and operated businesses and  
 5 specifying the purpose, uses, and requirements of such assistance.

6 BY repealing and reenacting with amendments:

7 SUBTITLE 10. FINANCE AND TAXATION.

8 Sections 10-284 and 10-287,

9 The Prince George's County Code

10 (2011 Edition; 2012 Supplement).

11 WHEREAS, the Prince George's County Council recognizes that a large number of the jobs  
 12 created in our country, state and county are generated from small businesses; and

13 WHEREAS, the success therefore of small businesses is critical to the vibrancy and health  
 14 of our local economy but that access to capital and sufficient financing opportunities presents a  
 15 major challenge to the success of both small and minority businesses; and

16 WHEREAS, the rate of defaults on loans and grants to small businesses is commonly  
 17 exceedingly high; and

18 WHEREAS, the Prince George's County Council has as one of its highest priorities  
 19 supporting the welfare of our County residents who own businesses in the County by putting  
 20 policies in place that will lend to the viability and sustainability of these businesses; now  
 21 therefore

SECTION 1. BE IT ENACTED by the County Council of Prince George's County, Maryland, that Sections 10-284 and 10-287 of the Prince George's County Code be and the same are hereby repealed and reenacted with amendments:

**SUBTITLE 10. FINANCE AND TAXATION.**

**DIVISION 16. ECONOMIC DEVELOPMENT INCENTIVE FUND.**

\* \* \* \* \*

**Sec. 10-284. Purposes and uses.**

(a) In general. The purposes of the Fund are to:

- (1) assist in the retention of existing industry and commerce in the County and in the attraction of new industry and commerce to the County;
- (2) create new jobs and retain existing jobs for County residents;
- (3) broaden the local tax base, particularly the commercial tax base;
- (4) promote economic development and the growth of the Prince George's County economy, with a special strategic focus on the developed tier and gateway communities that have suffered from a lack of investment and economic development and those areas where market dynamics do not create sufficient economic incentives to sustain private sector development;
- (5) promote local, minority, and small businesses in the County; and
- (6) encourage:

(A) Transit-Oriented Development, which shall be defined under this Division as a development or project located within one-half (1/2) of a mile in distance of a Washington Metropolitan Area Transit Authority (WMATA) transit station or a Maryland Area Regional Commuter (MARC) station, as measured from the main entrance of the building to the nearest entrance of the transit station;

(B) a balanced local economy; [and]

(C) international resources and trade to promote job growth, business attraction, and retention for County businesses and residents; and

(7) assist County residents who own businesses that are located in the County in the creation, sustenance and expansion of such businesses.

(b) Financial assistance.

(1) The Fund may provide financial assistance in the form of loans, loan loss reserves, guarantees, conditional loans and grants for the benefit of existing and potential industrial and commercial businesses in Prince George's County to finance:

(A) land, buildings, machinery and equipment, and other associated costs; and

(B) working capital, including operating expenses, training expenses, relocation expenses, and permit fees, if the monies funded are reasonably necessary and used to enhance the overall health and position of the business.

(2) The County's financial assistance under this Division may supplement other federal and State financial assistance programs.

(c) Leveraging funding. The Fund may be used for equity investments, and to participate with other government agencies or private sector institutions to leverage funding for special projects.

(d) Funding priority. In the administration of the Fund, priority shall be given to economic investment and redevelopment in the Developed Tier of the County and to Transit-Oriented Development.

(e) Economic strategy. The administration of the Fund shall be consistent with:

(1) the County's strategy for economic development, as established by the County Executive: prioritizing Transit-Oriented Development, revitalization of established communities, and major corridors;

(2) established policy and goals previously identified through the General Plan approved by the District Council.

(f) Financial incentives policy. In the administration of the fund, special priority shall be given to:

(1) Projects that maximize Local Minority Business Enterprise ("LMBE") participation; and

(2) Projects that expand and significantly strengthen employment opportunities for County residents.

(g) Special Assistance for Local Entrepreneurship.

(1) A goal of ten (10) percent of the annual appropriation to the Economic Development Incentive Fund is established for financial assistance to expand entrepreneurship opportunities for County residents who own businesses based in the County (herein called

1 “Special Assistance for Local Entrepreneurship”), subject to the availability of funding and  
 2 applicants, in order to:

3 (A) stimulate small business development and local business ownership by county  
 4 residents; and

5 (B) provide county residents who own businesses based in the County with access  
 6 to flexible financing for small business start-up and expansion throughout Prince George’s  
 7 County in a geographically equitable manner.

8 (2) Except for legal residency as prescribed in subparagraph (4), below, criteria for  
 9 approval of an award for Special Assistance for Local Entrepreneurship are the same as the  
 10 criteria specified in 10-287(d) of this subtitle.

11 (3) In administering Special Assistance for Local Entrepreneurship, every effort shall  
 12 be made to maximize the award of Special Assistance for Local Entrepreneurship to local  
 13 minority business enterprises (“LMBEs”) to the extent practicable.

14 (4) Eligibility. To be eligible to apply for and receive an award for Special Assistance  
 15 for Local Entrepreneurship, an applicant shall demonstrate the following:

16 (A) the applicant is a business whose business domicile and principal place of  
 17 operation is located in Prince George’s County, MD at the time of the Fund award and for the  
 18 duration of any loan or conditional loan supported or funded (in whole or in part) by the Fund  
 19 award;

20 (B) ownership of the business is fifty-one percent (51%) or more by one or more  
 21 County residents, which are individuals domiciled in the County continuously for the most recent  
 22 full calendar year as verified by a federal or State tax return, for the duration of the award for  
 23 Special Assistance for Local Entrepreneurship; and

24 (C) the applicant’s business does not include one of the following uses: adult  
 25 entertainment, gun shop, liquor store, laundromat, massage parlor, pawn shop, beauty supply  
 26 store, nail salon (except as accessory or ancillary to a spa), car wash, dance hall, banquet hall  
 27 (except as accessory or ancillary to a hotel or convention center), or tattoo parlor.

28 \* \* \* \* \*

29 **Sec. 10-287. Financial assistance – application and approval.**

30 \* \* \* \* \*

(b) Form. The financial assistance application form shall require an applicant to supply information necessary to evaluate the requested financial assistance including:

- (1) need;
- (2) financial ability of the applicant;
- (3) sources of repayment;
- (4) proposed project costs and expenditures for which assistance is sought;
- (5) fair value of completed projects;
- (6) normal or useful life of equipment or buildings;
- (7) security for the transaction;
- (8) contribution to the economy of the County; [and]

(9) legal residency; and

[(9)] (10) any other information that may be appropriate or useful in evaluating the application.

\* \* \* \* \*

SECTION 2. BE IT FURTHER ENACTED that the provisions of this Act are hereby declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this Act, since the same would have been enacted without the incorporation in this Act of any such invalid or unconstitutional word, phrase, clause, sentence, subparagraph, subsection, or section.

SECTION 3. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45) calendar days after it becomes law.

Adopted this 19<sup>th</sup> day of November, 2013.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Andrea C. Harrison  
Chair

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_ BY: \_\_\_\_\_  
Rushern L. Baker, III  
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.