Greetings,

One of the key tasks of the Economic Development Advisory Board and the Office of Economic Development is to maintain a healthy economic climate in the County -- from infrastructure to advertising. We have some economic advantages that make doing business here a good investment. Because we have leveraged those advantages to spur growth in all sectors, we've seen results in new retail, distribution and technology companies selecting Harford County to be their home.

The economic momentum is threatened when we lack cost-effective and sensible solutions to challenges facing area businesses. Additional taxes, unexpected costs and weakened infrastructure can all contribute to these challenges. This month's EDAB e-news focuses on just such a challenge: the Storm Water Management Fee. Learn more about it and about the possible ramifications and solutions in our main article. Click on the links in Fast Facts to get background, and see how one company is already investing in the environment and embracing the programs.

If you'd like more information or would like to get involved in EDAB, please feel free to contact me.

Best regards,

Eric McLauchlin
Chairman
Harford County Economic Development Advisory Board

Weathering the Storm

EDAB invites your feedback on how the Storm Water Management Fee will impact your business. We are cognizant of the challenges it presents, and we are committed to helping you to find cost-effective solutions that will be healthy for both the environment and the economy. Share your concerns and ideas by e-mailing us at oed@harfordcountymd.gov. Together we can optimize our resources and weather the storm.

The Rain Man Cometh

Storm Water Management Fees May Take Away Economic Advantage

By Jim Richardson

While it's not a "rain tax," it's a fee nonetheless. It's an unbudgeted, unexpected chunk of change that may throw many local business owners for a financial loop. It will also have a strong impact on the region's economic development.

"It" is the Storm Water Management Fee that will be assessed on certain residents and businesses throughout Harford County as a way to finance natural resource conservation and water quality improvement programs. Harford County is included in the 10-county jurisdiction affected by the State Watershed Protection and Restoration Program, which seeks to lower the amounts of nitrogen, phosphorus and sediment discharges in our waters. The State of Maryland has given general guidelines for reduction under this program, including a Storm Water Remediation Fee to be paid by landowners within the Municipal Separate Storm Sewer System (MS4) area. Each county can implement its own structure and operational details to generate funds, and each county has approached it differently. Two counties have refused to participate, with one of them making its arguments public.

Our local program allows options for the private sector, albeit difficult ones. Harford County government adopted the current program, which provides for 10 percent of the proposed storm water fee to be collected this year. After the first year's 10 percent discounted fee, approved by the County Council, residential and agricultural properties may be charged $125 annually thereafter.

The legislation does provide for a 100 percent credit for properties that meet the storm water quality guidelines; however, the rules and procedures to implement this program have not been fully developed. The County Council will establish work groups along with County government agencies to further develop this program, and to address any off site mitigation that would possibly be an advantage to businesses with a large impervious footprint. It leaves much to be debated over the next several months.

Major distribution centers, which make up a significant portion of our economy, may be heavily impacted due to their size. A 500,000 square-foot facility and a parking area of 300,000 square feet may be taxed $11,200 per year, totaling nearly $35,000. Retail properties, also a mainstay of the County, have the ability to spread the tax amongst tenants, but it increases lease payments for often-financially strapped retailers. They, in turn, will pass costs on to the consumer. In addition, the geographic inconsistency of the tax requirement is a bitter pill for businesses outside the applicable area. Initially, fees do not apply to properties - residential or commercial -- within the city or town limits of Aberdeen, Bel Air or Havre de Grace, because they are not subject to the County's MS4 permit. It is anticipated that these jurisdictions, along with other counties in the state will be subject to this fee in the future, but the time frame is unclear.
With the obvious benefit of locating a business within the town limits, efforts to attract businesses to places like the Chesapeake Science and Security Corridor and new retail complexes in Abingdon will now need to become more aggressive. Creative support will need to be offered to offset the financial implications of this program in areas that are crucial to the County's success.

To insure the County continues to maintain momentum in attracting businesses to our area, the Office of Economic Development is being proactive in searching for partnerships with various companies that will lessen the financial burden for businesses. As a County, we cannot continue to thrive if we do not provide alternatives. It's no secret that companies evaluate the cost of doing business before deciding where to locate. We want to give them the positive reasons to locate in Harford County. Among them are the efforts on everyone's part - businesses, lawmakers and residents - to do the right thing for the environment.

Investment in facilities and landscaping to meet the water quality goals is a good first step. Partnering with the agricultural community and the building community to implement innovative, cost-effective programs with a high return on water quality improvement is another avenue worth exploration. Searching for ways to make the program itself consistent and meaningful - both for businesses and the environment -- should be a top priority. Engaging in productive discussions that will result in new ways to unburden local businesses is imperative. We need to support our business community so that they can meet the criteria of this program cost-effectively while they continue to do business profitably in our county.

Business Spotlight: Frederick Ward Associates

Ranked among the top design firms in Maryland, Frederick Ward Associates (FWA) provides architecture, engineering, land planning and surveying to both public and private sector clients. Located on Main Street in the heart of Bel Air, FWA has become a household name in Harford County over the last 50 years. The company's work and reputation reach well beyond County lines to clients across the Mid-Atlantic region.

Founded in 1955 by Frederick Ward, FWA kept pace with the times by forging new markets and services that addressed many challenges - especially environmental ones. Over the years, the company expanded from land surveying to municipal engineering, landscape architecture and environmental planning. Today, FWA employs more than 30 architects, engineers, planners and surveyors and it prides itself on its multi-disciplinary approach to client satisfaction.

According to President Craig Ward, FWA has been involved in the growth of Harford County, as well as the evolution of environmental regulations. As the latest one -- the Storm Water Remediation Fee Program develops, he predicts the impact will be two-fold for FWA. On the positive side, FWA actually designs the types of facilities and solutions required by the program. However, the company's clients include private development organizations which will be significantly impacted by the imposition of Storm Water Management Fees, adding another reason Maryland - and Harford County - won't be as competitive for businesses, according to Ward. "I hope the final structure [of the Storm Water Management Fee] will consider the projects and properties that have current storm water management facilities in place and provide credits against the fees," Ward said. "We also hope to be a partner in the community for ideas and solutions as these regulations evolve."

Because FWA creates design and engineering solutions that use Sustainable Design whenever possible, the organization is an ideal advisor and partner as the current regulations emerge. Supporting its belief that all parts of the building and the environment are interrelated, FWA's planning process includes consideration of the impact a building will have on the environment - from solar orientation and rainwater harvesting to recycling and waste management solutions.

FWA's client roster includes major area businesses such as Upper Chesapeake Health System, Harford Community College, the US Postal Service, and Ward Development, the developer of the Boulevard at Box Hill. FWA's client roster includes major area businesses such as Upper Chesapeake Health System, Harford Community College, the US Postal Service, and Ward Development, the developer of the Boulevard at Box Hill.

Fast Facts: Storm Water Fees

• Storm water runoff contributes 18 percent of the nitrogen and 22 percent of the phosphorous loads flowing into the Chesapeake Bay.
• Pollution entering the Chesapeake Bay has been reduced about 40 percent in the last eight years, through improved farming practices, improved sewage treatment plants and controls in drainage runoff.
• The 10 counties included in the Storm Water Management Fee Jurisdiction are Anne Arundel, Baltimore, Carroll, Charles, Frederick, Harford, Howard, Montgomery, Prince George's and Baltimore City. A comparison of their programs can be found at http://www.wtpblaw.com/sites/default/files/document_pdf/WTP%20Local%20Stormwater%20Fee%20Summary%2004-05-13.pdf.

David R. Craig, Harford County Executive

The Harford County Economic Development Advisory Board consists of a number of subcommittees - including technology, workforce development, finance, tourism, and land use - dedicated to the positive growth and Economic Development of Harford County.

This email was sent to tmsmith@harfordcountymd.gov by eoed@harfordcountymd.gov. Update Profile/Email Address | Instant removal with SafeUnsubscribe | Forward email

THIS IS A TEST EMAIL ONLY.

This email was sent by the author for the sole purpose of testing a draft message. If you believe you have received the message in error, please contact the author by replying to this message. Constant Contact takes reports of abuse very seriously. If you wish to report abuse, forward this message to abuse@constantcontact.com.