



# Community & Economic Development

Advancing the Economy, Image and Quality of Life

CITY OF HAGERSTOWN  
Department of Community & Economic Development

## PROGRAMS & SERVICES

The following is a summary of the City of Hagerstown's Incentive Programs. For each program, full guidelines and application requirement apply. For more information visit:

[www.hagerstownmd.org/dced](http://www.hagerstownmd.org/dced)

The City of Hagerstown is among less than 300 cities in the United States with high speed internet up to and beyond 1 Gigabit service for businesses and residents. 1 Gigabit service is available downtown and in many other parts of the City of Hagerstown, and the fiber-optic internet connection offer speeds of 1,000 Megabit per second.



The dedicated connection allows for uploads and downloads of data at equal speeds. This makes Hagerstown an ideal location for businesses that do large volume of data transfers to clients. This service also benefits businesses that backup their own data and engage in collaboration through file sharing, online conferencing and screen sharing. It is also ideal for businesses that are moving their business processes such as email servers, customer contact management and database applications to the cloud.

Service Providers:

- [Flight GIGABIT](#) by Antietam Broadband – 301-797-5000
- [Hagerstown FIBER](#) by New Frontier Solutions – 301-791-3800

For more information, visit <https://www.gigahubcity.com/> or watch the video at [https://www.youtube.com/watch?time\\_continue=285&v=cNpp\\_DK59SU](https://www.youtube.com/watch?time_continue=285&v=cNpp_DK59SU).

## ECONOMIC REDEVELOPMENT

### Façade Grant Program

Website: <https://www.hagerstownmd.org/1298/Facade-Grant-Program>

- Open to property owners and businesses in the Main Street area – a subset area of the CC-MU zoning district.
- Program provides grants ranging from \$2,500 to \$7,500 for improvement of storefront designs and façade elements.
- Requires 1:1 match. For example a \$2,500 grant would require a \$2,500 match from the applicant for a \$5,000 total project.

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## **Invest Hagerstown**

Website: <https://www.hagerstownmd.org/1333/Invest-Hagerstown-Grant-Programs>

There are four (4) Grant Programs available under the Invest Hagerstown Program:

- 1.) **City Center Redevelopment Grant Program**  
Grants from a minimum of \$150,000 to a maximum of \$250,000 and requiring a minimum 2:1 match from the developer. Projects ranging \$450,000 to \$750,000+.
- 2.) **City-Wide Redevelopment Grant Program**  
Grants from a minimum of \$5,000 to a maximum of \$25,000 and requiring a minimum 2:1 match from the developer. Projects ranging \$15,000 to \$75,000+.
- 3.) **City-Wide Down Payment and Rehabilitation Grant Program**  
Homeownership Down Payment or Rehabilitation grants of \$7,500 offered City Wide. Property must be built prior to 1960 and be vacant for 12 months. Or the property may be a conversion of a rental of 2 or more units to a single unit, owner-occupied home.
- 4.) **Rental Property Rehabilitation Grant Program**  
Grants of \$7,500 for rental property rehabilitation to market rate rental and requiring 2:1 match. Grant 7,500 + Match \$15,000 = \$22,500+ Projects.

## **Partners in Economic Progress (PEP)**

Website: <https://www.hagerstownmd.org/793/Partners-In-Economic-Progress-Program>

- Open to property owners and businesses in downtown defined as the CC-MU zoning district.
- Requires minimum rehab investment of:
  - \$250,000 for commercial project
  - \$200,000 for mixed-use project
  - \$100,000 for residential project
- Requires renovation to bring building and core systems to City code requirements and program standards.
- Provides a package of incentives that includes:
  - Annual Grant equal to City Property Tax for 5 years
  - Utility benefit of 2 free EDU's valued at \$13,800
  - Rent Assistance to attract first tenants following renovation and paid to property owner
  - Waiver of Development Fees
  - Parking Program Fee Reductions
  - Fast Tracking
  - Code Flexibility using the Maryland Building Rehabilitation Code
  - Consultation on Historic Tax Credit Program – 2 hours

## **Life Safety Infrastructure Grant**

Website: <https://www.hagerstownmd.org/1500/Life-Safety-Infrastructure-Grant>

- Open to commercial or mixed-use buildings in the CC-MU zoning district.
- Program provides grants of \$15,000 to \$25,000 to fund costs directly related to significant water service utility upgrades for an NFPA compliant fire suppression system as part of an associated renovation project.
- Requires 1:1 match from applicant. (Example: Grant 25,000 + Match \$25,000 = \$50,000+ Project.)

## **Spring Sprouts Grants**

Website: <https://www.hagerstownmd.org/695/Spring-Sprout-Grants>

- Open to for-profit businesses in downtown defined as the City Center Mixed Use (CC-MU) zoning district.
- Program provides grants up to \$500 for equipment or training to help a business grow, expand, or operate more efficiently/competitively.

## **Map – City Center Incentive Zones & Main Street Area**

- Attached is a downtown map showing incentive zones. The full CC-MU Zoning area is an Enterprise Zone

## **REVOLVING LOAN**

### **Hagerstown Revolving Loan Fund**

Website: <https://www.hagerstownmd.org/794/Revolving-Loan-Fund-Program>

- Open to businesses City wide.
- Program provides low interest loans ranging from \$10,000 to \$200,000.
- Loan amount can equal, but cannot exceed 80% of total project costs, terms up to 7 years, fixed interest rate of PRIME plus 1% or a minimum of 3%.
- Maximum loan amount for working capital is \$30,000.

## **OTHER INCENTIVE PROGRAMS**

### **Arts & Entertainment (A&E) District**

Website: <https://www.hagerstownmd.org/797/Arts-Entertainment-District>

- Open to property owners and businesses in the defined downtown Arts & Entertainment (A&E) District.
- Ten year tax credit on change in assessed value resulting from a renovation project that creates artist housing or space for arts & entertainment enterprises.
- Exemption from Admissions and Amusement Tax for visual and performing arts enterprises.
- Personal income tax subtraction for qualifying resident artists related to income from the sale, publication or production of artistic work.

### **Enterprise Zone**

Website: <https://www.hagerstownmd.org/792/Enterprise-Zone>

Enterprise Zone Map

Website: <https://www.hagerstownmd.org/DocumentCenter/View/1445/Enterprise-Zone-Map?bidId=>

- Open to commercial projects only in the designated zone that includes all of the CC-MU Zoning District and other sections of the City.
- In City Center, requires \$5,000 construction or rehab investment or the creation of one new job.
- City wide, requires \$50,000 construction or rehab investment or the creation of 5 new jobs.
- Provides real property tax credits on the change in assessed value from the rehab investment.
- Provides income tax credit for wages paid to eligible new employees.

### **HUB Zone**

Website: <https://www.hagerstownmd.org/1347/HUBZone-Program>

- Open to qualified small businesses with principal offices in the designated zone which includes much of downtown and other sections of the City.
- A qualified business includes one that is 51% owned and controlled by a US Citizen and with 35% of employees living in the zone.
- The program helps businesses gain preferential access to federal procurement opportunities.

## **Opportunity Zone**

Website: <https://www.hagerstownmd.org/1334/Opportunity-Zone>

- The designated zone includes 4 census tracts which includes much of downtown and other sections of the City.
- The program allows for unrealized capital gains to be redirected and invested in real estate projects or businesses in the designated zone.
- The program provides a temporary deferral of capital gains taxes, a tax liability reduction if held for 7 years, and a permanent tax exemption of any capital gains on subsequent investments if held for 10 years.

## **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

Website for all programs listed below: <https://www.hagerstownmd.org/703/Incentives-for-Homeowners>

### **Homeownership Program**

- The City purchases vacant properties, and after complete renovation, the properties are sold at current appraised value to qualified applicants.
- Income requirements apply - maximum of 80% of median income.

### **Neighborhood Façade and Exterior Enhancement Program**

- Open to owners and tenants of properties in designated City blocks.
- Program provides loans ranging from \$5,000 to \$20,000 for upgrading facades and home exteriors. After 50% of the principal balance is paid, the remaining loan balance is forgiven.
- Income requirements apply - maximum of 80% of median income.

### **Single Family Rehabilitation Loans and Rental Rehabilitation Loans**

- Open to owner-occupied homeowners and investment owners of residential or mixed-use property City wide.
- Program provides low interest loan to complete comprehensive improvements to properties.
- Income requirements apply - maximum of 80% of median income.

### **Emergency Repair Grants**

Website:

- Open to owner-occupied homeowners City wide.
- Program provides a grant up to \$5,000 for eligible emergency repairs.
- Income requirements apply - maximum of 80% of median income.

### **Maryland Housing Rehabilitation Program (MHRP)**

Website:

- The Department of Community & Economic Development administers loans for this State of Maryland program.
- Open to owner-occupied single family homes and rental housing with one to four units City - limits.
- Program provides loans for rehabilitation to bring properties to applicable building codes and standards.
- Income requirements apply - maximum of 80% of median income.

## SERVICES & PROGRAMS

### Business Grand Openings & Anniversary Celebrations

Website: <https://www.hagerstownmd.org/799/Grand-Opening-Anniversary-Celebrations>

- The Department of Community & Economic Development coordinates Grand Opening and Anniversary celebrations for Hagerstown businesses
- Visit the website for the Event Request Form.

### Competitive Negotiated Sales (CNS) of City Owned Property

Website: <https://www.hagerstownmd.org/662/Available-Properties-Commercial>

- The City of Hagerstown has city-owned property for sale through the Competitive Negotiated Sale process. The application process seeks plans for redevelopment of property in combination with an offer price.

## RESOURCES

### Small Business Development Center (SBDC), SCORE, Partners & Business Resource Network

Website: <https://www.hagerstownmd.org/827/Resources-for-Entrepreneurs>

- The Small Business Development Center (SBDC) and the Service Corps of Retired Executives (SCORE) can offer businesses assistance with business plan development, start-up information and one on one counseling.

#### Western Region Small Business Development Center (SBDC)

Herb Melrath

Business Consultant

Western Region Small Business Development Center (SBDC)

100 West Washington Street, Suite 1401

Hagerstown, MD 21740

(888) 237-9007 ext. 4

[hjmelrath@frostburg.edu](mailto:hjmelrath@frostburg.edu)

[http://marylandsbdc.org/western/index\\_western.php](http://marylandsbdc.org/western/index_western.php)

#### SCORE Mid-Maryland - Chapter 632

Expert, free counseling for both startup and continuing small business. SCORE is a 12,400 member volunteer non-profit association sponsored by the U.S. Small Business Administration.

Charles Thomas

Phone: 240-215-4757

<https://mid-maryland.score.org/>

## BüroBox

Website: <https://www.theburobox.com/>

- The BüroBox is conveniently located in the Arts & Entertainment district, and serves as a membership based workspace and resource center for entrepreneurs seeking to start or grow their businesses.
- Visit the website for the Membership Application Form.

Contact:

City of Hagerstown, Department of Community  
and Economic Development  
(301) 739-8577 ext 111  
[DCED@hagerstownmd.org](mailto:DCED@hagerstownmd.org)

## Zoning Certificate and Business License

Website: [Zoning Certificate](#)

- You may obtain a *Certificate of Zoning Compliance* from the City of Hagerstown which may be presented to the Office of the Clerk of the Circuit Court for a *Business License*.

Contact:

City of Hagerstown, Planning and Code Administration Office  
(301) 739-8577 ext 138  
[planning@hagerstownmd.org](mailto:planning@hagerstownmd.org)

Washington County Circuit Court  
Clerk of Circuit Court – Kevin Tucker  
Phone: 301-790-7991  
[washcocc\\_clerk@mdcourts.gov](mailto:washcocc_clerk@mdcourts.gov)

Street Address: 24 Summit Avenue, Hagerstown 21740  
Mailing Address: P.O. Box 229, Hagerstown, MD 21741

- Additional website resources:  
Click here for [Business License Instructions](#) from the Washington County, MD Circuit Court.  
Click here for the State of Maryland's [Business License Information System \(BLIS\)](#)

## Parking

- Customer validation parking available in the University District Deck and the A&E Deck. A Parking Division team member can schedule a demonstration on how the program works. Contact Jason Rodgers at [jrodgers@hagerstownmd.org](mailto:jrodgers@hagerstownmd.org).
- Curbside pickup parking
  - Parking is free at the designated spots.
  - Time limit 10 minutes maximum. Enforcement after 30 minutes.
  - View the designated spots [here](#).
- Monthly Parking Passes
  - Parking deck permit is \$68 per month
  - Central parking lot permit is \$54 per month
  - All permits must be purchased at City Hall, 1 E. Franklin Street, 1st floor Billing Department.
- For more information on parking visit [here](#)