

**CITY OF BALTIMORE
COUNCIL BILL 07-0309R
(Resolution)**

Introduced by: The Council President
At the request of: The Administration (Baltimore Development Corporation)
Introduced and adopted: July 16, 2007

A COUNCIL RESOLUTION CONCERNING

Expansion of Foreign Trade Zone #74

FOR the purpose of endorsing the expansion of Baltimore City's Foreign Trade Zone #74, to enhance the opportunities for Baltimore City-based companies and other business entities throughout the United States to participate in the expanded global market and to provide new job opportunities for residents of Baltimore City.

Recitals

A foreign trade zone is a site within the United States, in or near a U.S. Customs Port of entry, where foreign and domestic merchandise may enter without a formal Customs entry or payment of duties or government excise taxes. If a final product is exported from the United States, Customs duty and excise taxes are due only at the time of transfer from the foreign trade zone and upon formal entry into the United States. The duty paid is the lower of that applicable to the finished product itself or to its component parts. Zones encourage foreign trade by providing opportunities to realize Customs duties savings and provide a most effective method of handling domestic and imported merchandise.

In January 1982, Baltimore City obtained authority to establish Foreign Trade Zone #74. Originally, the zone was 20 acres. Since that time, the FTZ has expanded to 14 sites, totaling 1,727 acres. That expansion, however, has not kept pace with the steady and continuing growth and interest in foreign trade activities. In an annual report from the Baltimore Development Corporation, the managing entity, it was reported that the zone served 85 business firms in 2005-2006. Of these, 22 used the zone on a continuous basis, employing up to 216 persons, 175 of whom were full-time employees.

This expansion, which includes incorporating sites at the Vane Brothers Facilities, the Chesapeake Commerce Center, and the Sparrows Point Shipyard Industrial Complex, and expanding the existing site at the Dundalk Marine Terminal, supports the economic objectives of the City of Baltimore, the Maryland Port Administration, and the State of Maryland. The expansion of Foreign Trade Zone #74 is vital for the continuing economic growth of the City of Baltimore. The expansion will promote state and local economic development objectives for the region, retain and assist in the growth and development of local employers, provide an incentive to new industry, expand private sector investment, and increase tonnage at the Port. Of critical importance, the expansion will also retain local jobs and increase employment opportunities for the residents of Baltimore City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the City Council of Baltimore City fully endorses the expansion of Baltimore City's Foreign Trade Zone

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 #74, which expansion will enhance the opportunities for Baltimore City-based companies and
2 other business entities throughout the United States to participate in the expanded global market
3 and will provide new job opportunities for residents of Baltimore City and surrounding
4 jurisdictions.

5 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Governor, the
6 Mayor, the Foreign Trade Zone Board, the President of the Baltimore Development Corporation,
7 and the Director of Foreign Trade Zone #74.