

RESOLUTION NO. 2193

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND, TO AUTHORIZE AN APPLICATION FOR THE RENEWAL AND EXPANSION OF THE SALISBURY - WICOMICO ENTERPRISE ZONE.

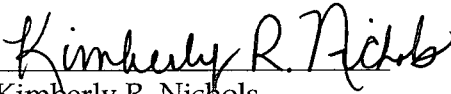
WHEREAS, the Council of the City of Salisbury is interested in promoting the economic development of our community by attracting new businesses to the Salisbury - Wicomico area, and encouraging the expansion of existing businesses; and

WHEREAS, the Maryland Department of Business and Economic Development has assisted us in this endeavor by allowing us to establish the Salisbury - Wicomico Enterprise Zone, thereby providing tax credit incentives for businesses located within the Zone; and

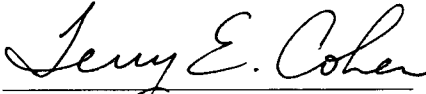
WHEREAS, the Council of the City of Salisbury wishes to renew the Enterprise Zone and to expand the boundaries, as indicated on the enclosed map, in order to improve the economic development potential of in these areas.

NOW, THEREFORE, BE IT RESOLVED, on this 27th day of August, 2012, that the Council of the City of Salisbury, does hereby authorize the submission of the Enterprise Zone Application for Renewal and Expansion, based on the attached map, which has been to be submitted for approval to the Wicomico County Council, and pending the Council's approval, to the Maryland Department of Business and Economic Development for its approval.

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury on August 27, 2012 and is to become effective immediately.




Kimberly R. Nichols
CITY CLERK



Terry E. Cohen
COUNCIL PRESIDENT

APPROVED BY ME THIS

30th day of August, 2012.



James Ireton, Jr.
MAYOR

INTER

OFFICE

MEMO

OFFICE OF THE MAYOR

To: John Pick
From: Loré L. Chambers, Ph.D. *LLC*
Subject: Enterprise Zone Reapplication
Date: August 21, 2012

The City of Salisbury's Enterprise Zone designation is due to expire December 14, 2012. The application for re-designation and expansion is due to the State of Maryland on October 15, 2012. Information was provided to the City Council for discussion and consideration of reapplication at their February 16, 2012, work session. Additional information was provided to the City Council on May 16, 2012, for discussion and consideration at the June 19, 2012, work session.

The City Council reviewed the Enterprise Zone re-application and expansion proposed map July 16, 2012. They also discussed the local conditions criteria for businesses to qualify for the designation. The local conditions are as follows:

- Real Property Tax Credits – ten year 80% credit against local real property taxes on a portion of real property investments.
- Income Tax Credits – one or three year credit for wages paid to new employees. The general credit is a one-time \$1,000 credit for each new qualified position. For economically disadvantaged employees, the credit increases to a total of \$6,000 per worker, distributed over three years.

The council requested additional information to include overlay maps for zoning; concentration of vacant structures and large commercial structures with no others close by; locations of other businesses that are already using the enterprise zone designation; and statistical data on the percentage of other designations that overlay the enterprise zone (incentives such as Priority Funding Area, etc. This information was provided to the City Council for their consideration on August 13, 2012.

At the August 13, 2012, work session, the council reached a consensus on the areas to be added

to the Enterprise Zone. All areas have been checked against the eligibility criteria and it has been determined that they meet the criteria.

Presentations were also provided to the Wicomico County Council on June 19, 2012, and July 17, 2012, and August 21, 2012. The County Council concurred with the local conditions remaining the same and requested proposed changes to the map which were included in the revised map that has been provided to the City Council.

Attached is a Resolution of Support for the Enterprise Zone re-application and expansion. Please provide this information to the City Council for consideration at the August 27, 2012 City Council legislative session. If the City Council approves the resolution, it will be forwarded to the County Council for their concurrence. Please let me know if you have any questions.

Attachment

cc: Mayor James Ireton, Jr.