

## RESOLUTION NO 2202

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND APPROVING THE DEVELOPMENT OF AFFORDABLE HOUSING AT FITZWATER STREET, TO BE FINANCED DIRECTLY BY THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (THE DEPARTMENT) OF THE STATE OF MARYLAND OR THROUGH THE DEPARTMENT'S COMMUNITY DEVELOPMENT ADMINISTRATION (THE ADMINISTRATION).

WHEREAS, the City of Salisbury, Maryland recognizes that there is a need for decent, safe and sanitary housing in Salisbury for persons with low to moderate incomes; and

WHEREAS, Osprey Property Company LLC (Osprey), a Maryland Limited Liability Corporation, either directly or through a separate for-profit legal entity Osprey controls, proposes to develop and operate a rental housing development comprised of approximately ninety (90) units, known as River's Edge Apartments and Studio for the Arts located at Fitzwater Street (the "Project"), all or a portion of which will assist families of low or limited income as required by applicable law or regulations; and

WHEREAS, the Department, either directly or through the Administration, may provide some or all of the financing for the Project (the "Project Financing") in order to assist in making it financially feasible; and

WHEREAS, the City of Salisbury desires to provide a resolution of support for the Project Financing and tax credits for the Project; and

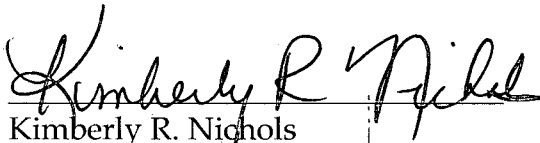
WHEREAS, the applicable law, regulations and Departmental requirements necessitate approval of the Project and the Project Financing by the City of Salisbury and the Mayor;

NOW, THEREFORE BE IT RESOLVED THAT the City of Salisbury, Maryland hereby endorses the Project upon the proposed site; and approves the proposed Project Financing in the form of a loan of approximately \$2,000,000; and

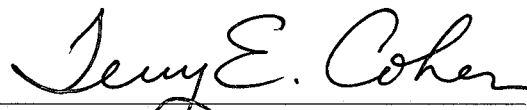
BE IT FURTHER RESOLVED THAT copies of this Resolution be sent to the Secretary of Housing and Community Development of the State of Maryland.

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 10th day of September, 2012, and shall become effective immediately upon adoption.

ATTEST:

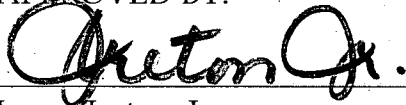


Kimberly R. Nichols  
CITY CLERK



Terry E. Cohen  
PRESIDENT, City Council

APPROVED BY:



James Ireton, Jr.  
MAYOR, City of Salisbury

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# City of Salisbury



MARYLAND

JAMES IRETON, JR.  
MAYOR

JOHN R. PICK  
CITY ADMINISTRATOR

LORÉ L. CHAMBERS  
ASSISTANT CITY ADMINISTRATOR

125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-548-3100  
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September 10, 2012

Mr. Jack Lenox, Director  
Department of Planning, Zoning and Community Development  
125 N. Division Street  
Salisbury, MD



Re: Rivers Edge, Fitzwater Street, Local Contribution

Dear Mr. Lenox,

Section 3.3 of the Multifamily Rental Financing Program Guide which governs the funding of the proposed Rivers Edge community by the Maryland Department of Housing and Community Development (DHCD), requires a local contribution from the municipality in which a project is located. The City, because of limited resources, is unable to make a local contribution to the project.

Based on correspondence provided, including a letter from you dated July 2, 2012, Rivers Edge is exempt from the County school impact fee. Wicomico County, pursuant to Chapter 130C of the County Code, will not collect the one-time school impact fees typically collected at the time of issuance of the building permit. This will apply to the first thirty (30) units constructed at the Rives Edge project as well as any other units which are restricted to occupants with incomes of 80% and below the area median income. The school impact fee is \$1524 per unit.

Section 3.3 of the Multifamily Rental Financing Program Guide states that this exemption from the school impact fee may be recognized by DHCD as a local contribution by the County in lieu of a contribution by the City.

Should you have questions, please feel free to contact me. Kindly acknowledge this letter and return a copy to me.

Sincerely,

James Ireton, Jr., Mayor  
City of Salisbury

Acknowledged:

Mr. Jack Lenox  
Director