

RESOLUTION NO. 2381

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE CAPACITY FEE OF THE CITY'S COMPREHENSIVE CONNECTION CHARGE BE WAIVED FOR THE DEVELOPMENT KNOWN AS THE COTTAGES AT RIVER HOUSE PHASE IV.

WHEREAS, Blackburn Housing IV, L.P. has requested a waiver of the Capacity Fee for the development known as the Cottages at River House Phase IV; and

WHEREAS, the proposed development requires approximately 11(eleven) Equivalent Dwelling Units of water and sewer service and is located on Pemberton Drive; and

WHEREAS, the current fee for 11(eleven) Equivalent Dwelling Units is \$38,863.00 (thirty eight thousand, eight hundred and sixty three dollars); and

WHEREAS, one of the City's goals is to encourage the development of affordable housing units in the City of Salisbury; and

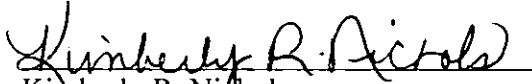
WHEREAS, the City Council approved a Capacity Fee Waiver Process under Resolution No. 1211 for public sponsored or affordable housing, which means any dwelling unit built or financed under a government program, regulation, or binding agreement that limits for at least ten years the price or rent charged for the unit in order to make the unit affordable to households earning less than 60% (sixty percent) of the area median income, adjusted for family size; and

WHEREAS, Blackburn Housing IV L.P. has committed to providing affordable housing at their Cottages at River House Phase IV apartments to households earning less than 60% (sixty percent) of the area median income, adjusted for family size for a period of 30 (thirty) years.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Salisbury, Maryland approves the waiver of 11(eleven) Equivalent Dwelling Units of Capacity Fee for the Blackburn Housing IV L.P. sponsored affordable housing development known as The Cottages at River House Phase IV.

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on March 24, 2014 and is to become effective immediately upon adoption.

ATTEST:




Kimberly R. Nichols
CITY CLERK



Jacob R. Day, City Council President

APPROVED BY ME THIS
7th day of March, 2014



James Ireton, Jr.
MAYOR, City of Salisbury

INTER

OFFICE

MEMO

OFFICE OF THE MAYOR

To: City Council
Mayor
From: Tom Stevenson
Subject: Cottages at Riverhouse, Phase IV
Date: March 14, 2014

Blackburn Housing IV, L.P. is seeking support from the City of Salisbury to construct Phase IV of the Cottages at Riverhouse. The project will be located on Pemberton Dr. and will provide affordable housing units for senior citizens earning less than 60% (sixty percent) of the area median income. When completed, Phase IV will provide an additional 44 (forty four) affordable housing units.

The attached resolutions accomplish the following:

1. Waive the Capacity Fee for the 11 (eleven) Equivalent Dwelling Units (EDUs) that are required for the project. The total cost of the EDUs is \$38, 863.00 (thirty eight thousand, eight hundred and sixty three dollars); and
2. Provide a local contribution to the project by deferring the real estate taxes during the first 10 (ten) years of operation. The "estimated" tax deferral during this period is \$45, 355.00 (forty five thousand, three hundred fifty five dollars). After the 10 (ten) year deferral period, the annual estimated tax will be \$1,088.00 (one thousand eighty eight dollars per year).

The City of Salisbury provided the same level of support for Phases I, II and III.

Please let me know if you have any questions or require additional information.