

RESOLUTION NO. 2410

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND TO APPROVE A MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, STRATEGIC DEMOLITION AND SMART GROWTH IMPACT FUND GRANT APPLICATION TO FUND THE DEMOLITION, REMEDIATION AND SITE DEVELOPMENT OF THE FORMER DAILY TIMES BUILDING.

WHEREAS, the Maryland Department of Housing and Community Development (DHCD) has solicited applications from eligible jurisdictions to apply for funding under the Strategic Demolition and Smart Growth Impact Fund (SD-SGIF) program for FY 2015; and

WHEREAS, the City of Salisbury is eligible to apply for funds from (DHCD) through this program; and

WHEREAS, the Mayor and Salisbury City Council recognizes there is a significant need for reinvestment and revitalization of the communities in Salisbury; and

WHEREAS, the City has partnered with Peninsula Regional Medical Center, Salisbury University, and the University of Maryland Eastern Shore to obtain funding through the DHCD Strategic Demolition and Smart Growth Impact Fund to demolish the former Daily Times Building for future development into a mixed use retail and educational facility in Downtown Salisbury; and

WHEREAS, the project is located within a priority funding area under Section 5-7B-02 of the Smart Growth Act and the project will conform to the local zoning code; and

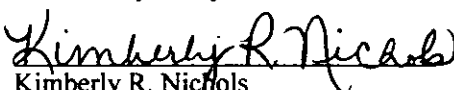
WHEREAS, the applicable law and regulations require approval of the Strategic Demolition and Smart Growth Impact Fund Project and project financing by City Council and the Mayor of the City of Salisbury; and

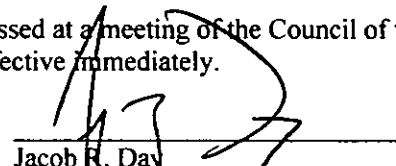
NOW, THEREFORE, BE IT RESOLVED THAT, the Council of the City of Salisbury, Maryland hereby endorses the project; and, HEREBY approves the request for financial assistance in the form of a grant for \$575,000 to provide funds for the demolition, remediation and site development of the former Daily Times Building in Downtown Salisbury located at 115 East Carroll Street; and

BE IT FURTHER RESOLVED THAT, James Ireton, Jr., Mayor, is authorized and empowered to execute any and all documents required for the submission of the SD-SGIF grant application; and

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

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on June 23, 2014, and is to become effective immediately.


Kimberly R. Nichols
CITY CLERK


Jacob R. Day
COUNCIL PRESIDENT

APPROVED BY ME THIS

25th day of June, 2014


James Ireton, Jr.
Mayor

City of Salisbury



MARYLAND

Salisbury



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JAMES IRETON, JR.
MAYOR

M. THOMAS STEVENSON, JR.
CITY ADMINISTRATOR

TERENCE ARRINGTON
ASSISTANT CITY ADMINISTRATOR

To: Tom Stevenson, City Administrator
From: Terence Arrington, Assistant City Administrator
Date: June 24, 2014
Re: Resolution to support the Strategic Demolition and Smart Growth Impact Fund

The Office of the Mayor is requesting approval to apply for the Strategic Demolition and Smart Growth Impact Fund (SD-SGIF) grant from the Maryland Department of Housing and Community Development. This grant will fund the demolition of the former Daily Times building adjacent to the Peninsula Regional Medical Center.

The Maryland Department of Housing and Community Development (SD-SGIF) grant invests in activities that accelerate economic development, job production, and smart growth projects in existing Maryland Communities. It aims to redevelop underutilized and vacant building and land by investing in projects that have a high economic and revitalization impact within existing Maryland communities. Eligible projects for this grant include but are not limited to site acquisition and assembly, demolition of derelict non-contributing structures, site development, and construction stage architectural and engineering designs.

In our efforts to revitalize downtown, Salisbury has collaborated with staff from the University of Maryland Eastern Shore, Salisbury University, and the Peninsula Regional Medical Center to construct a mixed-use retail and educational facility in the location of the former Daily Times building. Peninsula Regional Medical Center has already purchased the existing structure and land. With Council approval, staff will submit an application to fund the demolition, site development, and engineering designs for a mixed-use facility.

The grant application is due by July 15, 2014. As part of the application, a resolution of support from the local governing body is required.

Please advance this cover memo, application, and resolution of support to the City Council for approval.

Attachment: Strategic Demolition and Smart Growth Impact Fund Application
Resolution of Support

STRATEGIC DEMOLITION AND SMART GROWTH IMPACT FUND Application FY 2015

Eligible Applicants:

Local governments

Non-Profit Community Development Organizations

DEADLINE FOR SUBMISSION:

July 15, 2014 Midnight

General Description

The Strategic Demolition and Smart Growth Impact Fund (SDSGIF) invests in activities that accelerate economic development, job production and smart growth in existing Maryland communities. In particular, SDSGIF aims to redevelop "grey fields" -- underutilized and vacant buildings and lands -- which often face more barriers than sprawling "green field development." Since funds are limited, awards will focus on those smart growth projects that will have the highest economic and revitalization impact.

Eligible Applicants and Projects

Lead applicants will be local governments or nonprofit community development organizations. Local government applications should be lead-sponsored by the jurisdiction's Economic Development agency, or, in the absence of such an agency or staff, the local agency designated by the jurisdiction's chief executive. The lead sponsor should form a team of partners to include housing and planning agencies, local nonprofits, civic institutions and private sector companies and lenders.

Project awards are anticipated to average \$500,000 and not be less than \$250,000. Eligible projects will be capital projects located in designated Sustainable Community Areas and include but are not limited to:

- Site acquisition and assembly to create redevelopment size parcels for redevelopment
- Demolition of derelict non-contributing structures to make way for new infill development
- Site development, including public infrastructure improvements
- Construction-stage architectural and engineering designs that integrate "green" approaches to site and building redevelopment and stormwater management strategies.

Projects supported by SDSGIF will build on the strengths of existing urban, suburban and rural communities and will be part of or integrated into a local jurisdiction's Sustainable Communities Action Plan, comprehensive plan, local revitalization plan, economic development plan or transit oriented development plan. Funded projects will make possible a range of **economic development and smart growth outcomes** in existing communities, including:

- Development at State-designated Transit-Oriented Development (TOD) sites;
- Leverage of private sector investment in stronger local economies in existing communities;
- Increased local jobs and services;
- Compact growth and mixed-use development;
- Expanded housing choices for people of all economic backgrounds;
- Development practices that protect the environment and conserve air, water and energy resources, encourage walkability and recreational opportunities, and where available, create better access to transit.

Eligible Target Areas

Projects must be located in designated Sustainable Communities throughout Maryland. Sustainable Communities are areas found within Priority Funding Areas (PFAs) and are targeted for revitalization. To see your jurisdiction's Sustainable Community boundaries, please use the online DHCD Mapper tool found at this website:
www.dhcd.maryland.gov/website/DHCDmapper.aspx.

An application procedure has been developed for local governments to request continued Sustainable Communities designation, if not already designated. Please visit [Sustainable Communities-www.MdHousing.org](http://SustainableCommunities-www.MdHousing.org).

SDSGIF Funds for FY 2015

The FY 2015 budget includes \$7.5 million in capital funds available in the form of grants or loans. The FY 2015 SDSGIF budget does NOT include any operating funds.

Award Criteria

Proposals are reviewed and scored on demonstration of community need for reinvestment (20 points); clarity of project details and readiness to proceed (30 points) capacity of project sponsors and partners (20 points); and committed financial resources and other leverage (30 points). Requests for loans will be given greater priority than requests for grants. In addition, geographic diversity will be considered in the awarding of financial assistance.

Additional Considerations

Additional consideration will be given to projects that address the following issues:

- Revitalization of older communities in areas that can be positioned to absorb increased growth due to the Base Re-alignment and Closure (BRAC) activities in Maryland
- Transit Oriented Development (TOD) that promotes compact redevelopment and connects housing with job opportunities
- Activities in the 26 designated Main Street Maryland communities as well as the 10 Baltimore City Main Street communities that further their revitalization efforts,

particularly encouraging residential reinvestment that reinforces the success of the business districts

- Programs and projects that encourage or incorporate elements addressing environmental responsibility and stewardship into site and project development, design, construction and housing rehabilitation retrofits
- Programs and projects that incorporate and align a full range of State and local revitalization and smart growth programs and financing tools (grants, loans, credit enhancements, and tax credits), including, where appropriate, State tools and legislative authorities
- Capital investments and business practices that incorporate inclusionary hiring practices such that the local workforce has increased opportunities to benefit from construction jobs and permanent jobs

Project Examples

The following three fictitious examples are meant to illustrate but not limit the kinds of projects that SDSGIF may be used to support:

Demolition Project:

A nonprofit developer in partnership with the local community has developed a master plan that includes the demolition of an abandoned and derelict warehouse building at the edge of the community. SDSGIF and other public funds would purchase and demolish the derelict warehouse, allowing the site to be redeveloped to include both a community facility and 20 affordable infill town homes for first-time home buyers.

Site Development Project:

In partnership with a private developer, a city has developed a revitalization plan for a 10-acre infill redevelopment which will also result in a mixture of uses and a walkable central open space. Approximately \$1.5 million in public funding (local funding plus SDSGIF) is needed to leverage \$50 million in private investment. Public and SDSGIF funds are needed for public infrastructure improvements. In addition to significantly leveraging private dollars, this project will create 50 temporary construction jobs, 10 permanent retail jobs, and 40 market-rate and affordable rental units. The project will generate increased local property and state income tax revenues while also improving the walkability of open spaces, including integration of "green infrastructure" strategies for the management of stormwater.

Site Acquisition & Assembly:

A county is proposing to purchase two contiguous parcels, both commercial and residential, to assemble a development size parcel within close proximity to a State designated TOD. The assembly of these properties would enhance the neighborhood's economic viability and support current efforts to revitalize the area by creating mixed-income, mixed tenure housing, supportive retail for employees and residents and leverage tens of millions in private investment. A grant of \$350,000 from SDSGIF will assist with site acquisition. It is anticipated that this project will create 10 temporary jobs, 15 permanent jobs and generate significant new local and state tax revenues.

APPLICATION PROCESS

Mandatory Application Training

Mandatory application training is required. At the training, applicants will learn more about the SDSGIF Program, its intent, the application and review process. It is requested that the actual person completing the electronic application should participate. For more information about training, visit <http://www.neighborhoodrevitalization.org/Programs/SGIF/Default.aspx> or consult with Larry Brown at 410-209-5819 or by email brownl@mdhousing.org.

Mandatory Online Submission of Your Application

The online grant management system -- Project Portal -- is a web-based application that allows municipalities/organizations to apply for funding and manage grants. Project Portal requires authorization for access. Each Municipality/Organization must designate an Authorizing Official (AO). Once the AO registers the organization, they will receive an email Notification of Access Approval from the online system administrator. The AO will select a username and password and is responsible for defining the roles/responsibilities of staff users for the system. Once your Municipality/Organization is registered in Project Portal, it can apply for grants, submit applications and access instructions on how to navigate the system. DHCD reserves the right to not consider applications that are incomplete, including missing required attachments.

Review Process:

DHCD staff will lead a review team consisting of representatives from various State agencies, that could include: Maryland Department of Planning, Maryland Historical Trust, Maryland Department of Transportation, Department of Natural Resources, Department of Business and Economic Development and Maryland Department of the Environment. The review team will make project recommendations for consideration by the DHCD Secretary.

Site Visits & Follow-up Discussion

During the application review process, the review team may make on-site visits and/or hold meetings with applicants. In addition, applicants may be contacted by DHCD or other review team members for follow-up discussions prior to awards.

Reviews by Maryland Historical Trust and Codes Administration

All projects receiving state financial assistance are subject to review by the Maryland Historical Trust (MHT). Since this review sometimes identifies properties as historically significant that were not previously known to be so, local governments are encouraged to request MHT's comments about the proposed demolition or other predevelopment project as soon as possible, even prior to submitting their application to DHCD. To request MHT's comments, local governments may submit MHT's one-page Project Review Form, current photographs of the building(s), and an accurately marked map of the address being considered for demolition or redevelopment. The form and additional information about the review process are available online at <http://mht.maryland.gov/projectreview.html>. Projects receiving funds are also subject to review by the DHCD's Codes Administration. **Work should not begin and funds will not be disbursed on these projects until the aforementioned reviews are completed.**

Local Resolution

A local support resolution (or a letter from an authorized designee) from the incorporated town or, if not incorporated, the county in which the project is located, must be submitted with your application. Applications submitted without the resolution will not be accepted. (If there are extenuating circumstances that would require a delay in your resolution being submitted with your application, please contact your Project Manager for instructions). Local jurisdictions may delegate the local resolution approval process to an agency authority; contact your project manager for more information.

Reporting Requirements

Applicants that receive funding will be required to submit quarterly reports on their progress. DHCD will summarize these reports on behalf of the Program for the General Assembly annually. In addition, statistics such as reporting compliance, leverage, and draw rates are also submitted monthly as part of the Governor's State Stat Report.