

AS AMENDED ON AUGUST 24, 2015  
RESOLUTION NO. 2538

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND SUPPORTING THE REDEVELOPMENT OF VILLAGE OF HOPE WITH NEW AFFORDABLE HOUSING TO BE KNOWN AS HOMES ON JOHNSONS POND, AND PROVIDING A PAYMENT IN LIEU OF TAXES (PILOT) TO THE DEVELOPMENT.

WHEREAS, the Village of Hope has requested support from the City of Salisbury, Maryland for redeveloping their campus located at 1001 Lake Street, Salisbury, MD which was originally approved for 84 units of housing in 1998 and to date 15 14 units of housing have been built serving women and women with children who are at risk or homeless; and

WHEREAS, the City of Salisbury, Maryland recognizes that there is a significant need for quality housing units in Salisbury for persons with low or limited incomes, especially those who may be at risk, homeless or recently have completed a transitional housing program designed to assist at risk individuals; and

WHEREAS, the Village of Hope has engaged Homes for America, Inc and Osprey Property Company LLC to assist in redeveloping their campus to include approximately 63 new units of affordable housing to be known as Homes on Johnsons Pond (the "Project"); and

WHEREAS, the Village of Hope, Inc., Homes for America, Inc and Osprey Property Company, LLC have committed to providing affordable housing at their Homes on Johnsons Pond apartments to households earning less than 60% of the area median income, adjusted for family size; and

WHEREAS, the Village of Hope currently is exempt from real estate taxes for their development; and

WHEREAS, the Village of Hope has requested a Payment in Lieu of Taxes for their development to be known as Homes on Johnsons Pond, a partnership with Homes for America, Inc. and Osprey Property Company, LLC that will not be exempt from real estate taxes; and

WHEREAS, the City of Salisbury desires to provide the proposed Payment in Lieu of Taxes (the "PILOT").

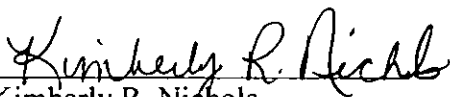
NOW, THEREFORE BE IT RESOLVED THAT the City of Salisbury approves a PILOT agreement between co-owners Homes for America, Inc., Village of Hope, Inc., and Osprey Property Company, LLC, and/or the partnership entity to be formed by these entities, and the City of Salisbury, provided the Project is constructed and operated as a rental housing project for persons with low or limited income in accordance with the guidelines of the Department of Housing and Community Development. The PILOT agreement will provide for a reduction of City of Salisbury real estate taxes in the amount of \$100 per unit per year if the project continues to provide affordable housing for persons of lower income for a period of forty (40) years from the date the building is granted a certificate of occupancy in terms the same as or similar to those set forth in the attached draft Payment in Lieu of Tax Agreement as such draft may be modified by the City Solicitor to meet all legal requirements; and

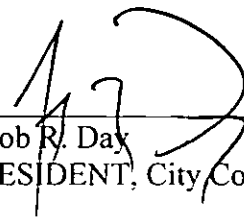
BE IT FURTHER RESOLVED THAT, copies of this Resolution be sent to James Ireton, Jr., the Mayor of Salisbury, Maryland, for his signature indicating his approval thereof; and

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

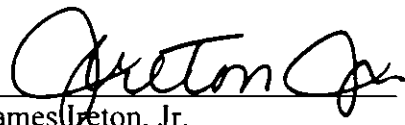
THIS RESOLUTION was introduced, read and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on August 24, 2015 and is to become effective immediately upon adoption.

ATTEST:

  
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Kimberly R. Nichols  
CITY CLERK

  
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Jacob R. Day  
PRESIDENT, City Council

APPROVED by me this 27<sup>th</sup> day of August, 2015

  
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James Ireton, Jr.  
MAYOR, City of Salisbury