

RESOLUTION NO. 2670

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING AN APPLICATION TO THE MARYLAND DEPARTMENT OF COMMERCE TO EXPAND THE BOUNDARIES OF THE EXISTING SALISBURY-WICOMICO ENTERPRISE ZONE

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

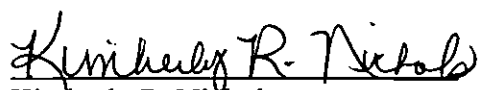
WHEREAS, the Maryland Department of Commerce (MDC) has assisted the City in this endeavor by allowing the establishment of the Salisbury-Wicomico Enterprise Zone, thereby providing tax credit incentives to qualifying businesses located within the zone; and

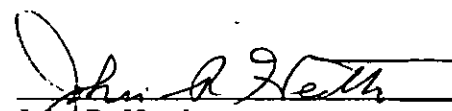
WHEREAS, the Council of the City of Salisbury wishes to expand the boundaries, as indicated on the enclosed map, in order to improve the economic development potential of the airport and surrounding areas.

NOW, THEREFORE, BE IT RESOLVED, on this 26th day of September, 2016, that the Council of the City of Salisbury, does hereby authorize the submission of the Enterprise Zone application for Expansion, based on the attached map.

THE ABOVE RESOLUTION, was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 26th day of September, 2016 and is to become effective immediately.

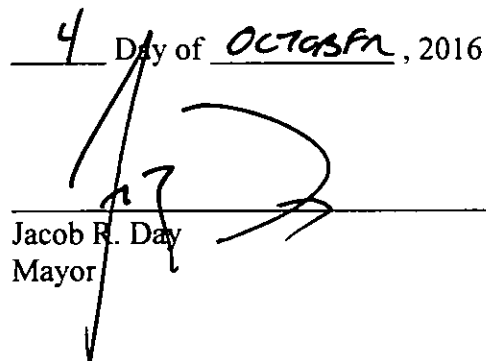
ATTEST:


Kimberly R. Nichols,
City Clerk

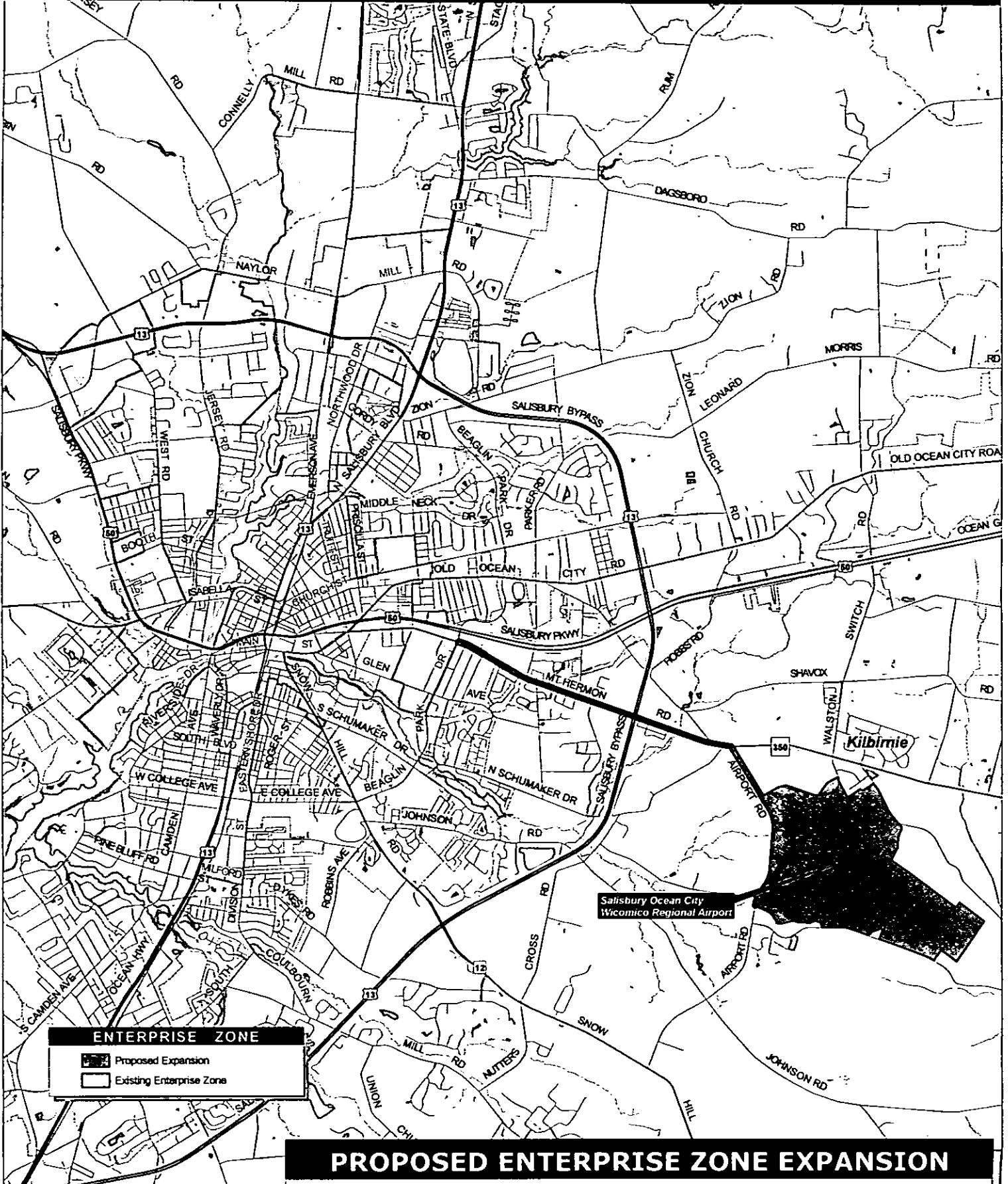

John R. Heath,
Council President

APPROVED BY ME THIS:

4 Day of OCTOBER, 2016


Jacob R. Day
Mayor

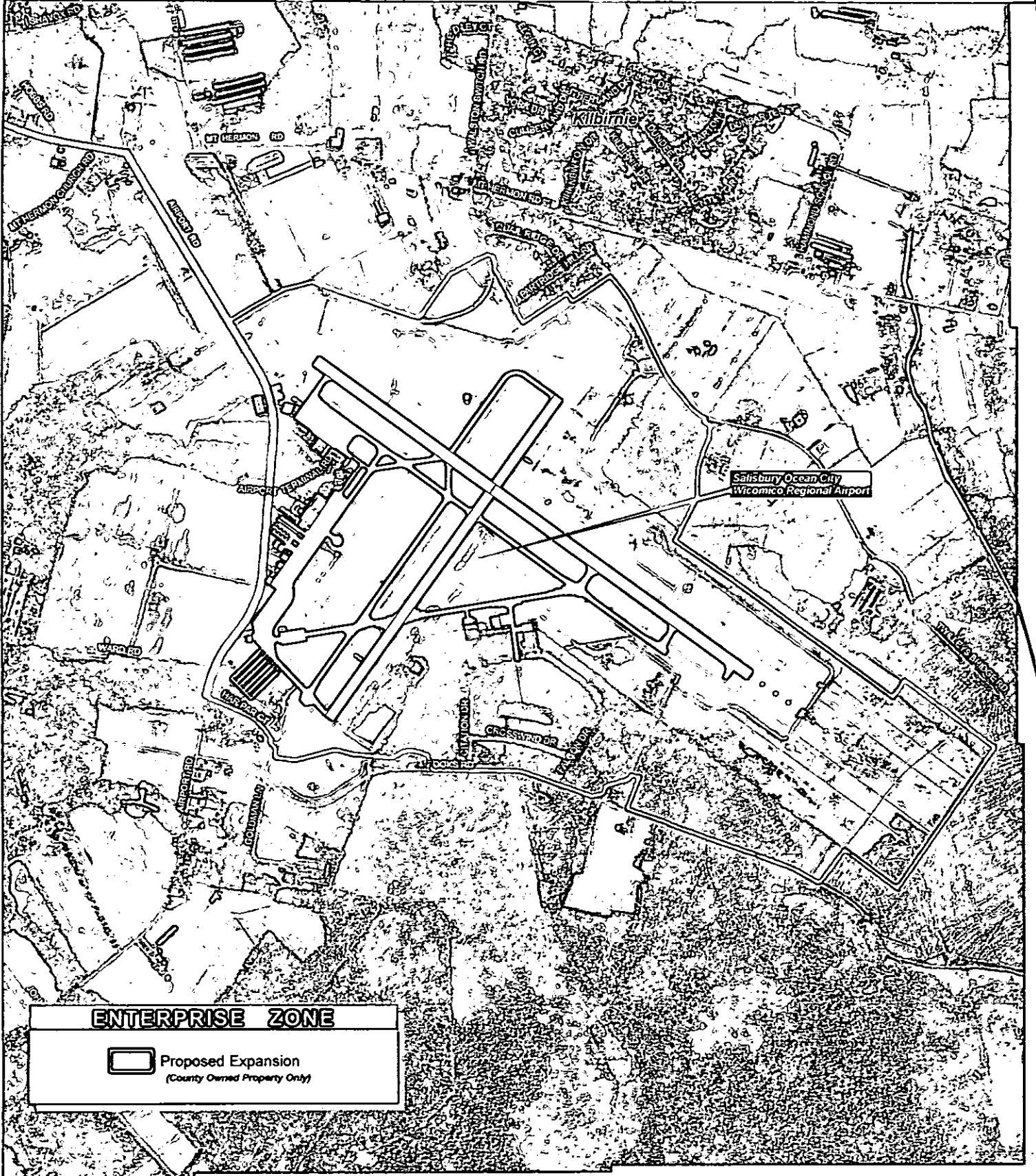
SALISBURY - WICOMICO ENTERPRISE ZONE



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SALISBURY - WICOMICO ENTERPRISE ZONE

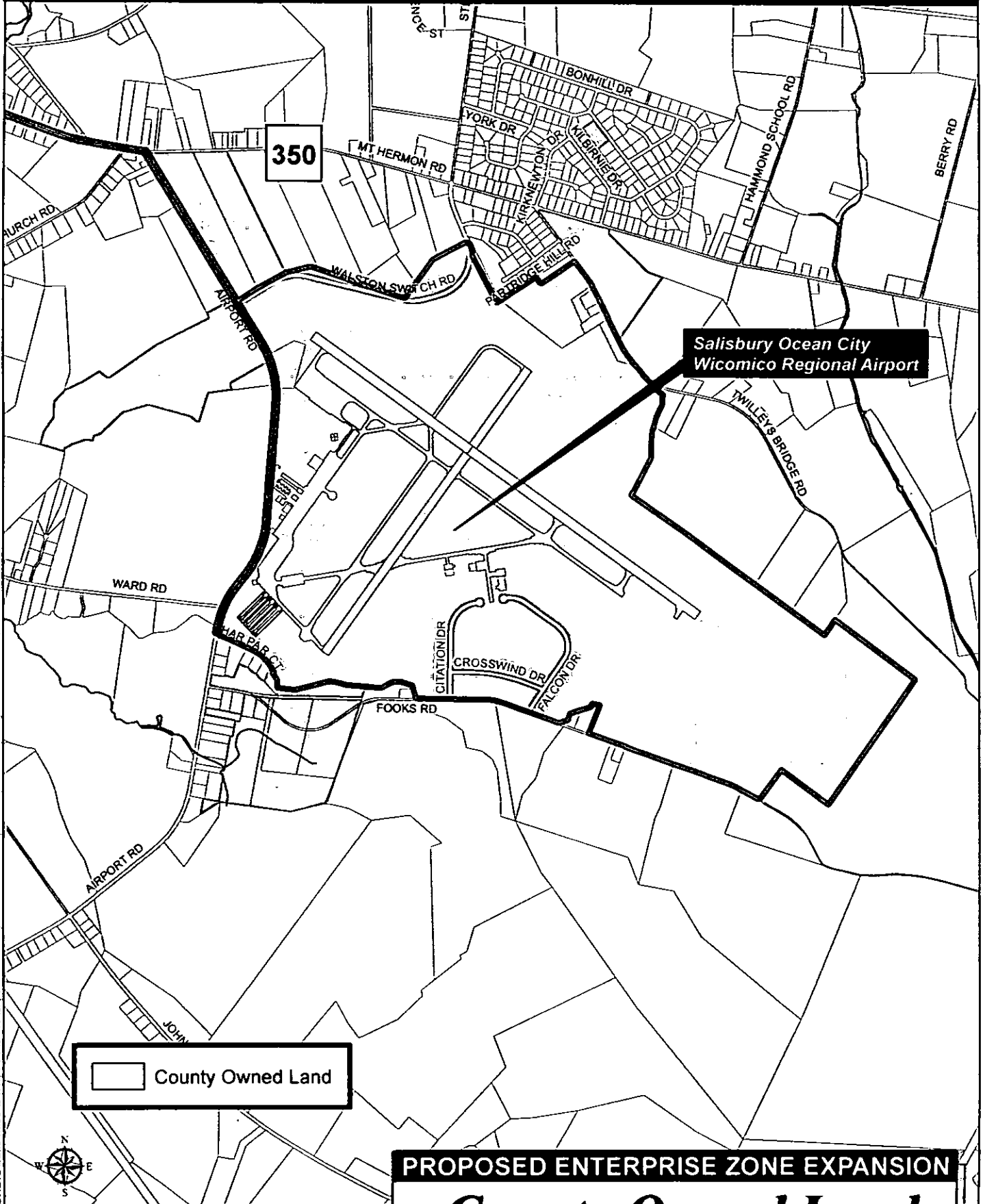


PROPOSED ENTERPRISE ZONE EXPANSION

- Airport Area -



SALISBURY - WICOMICO ENTERPRISE ZONE

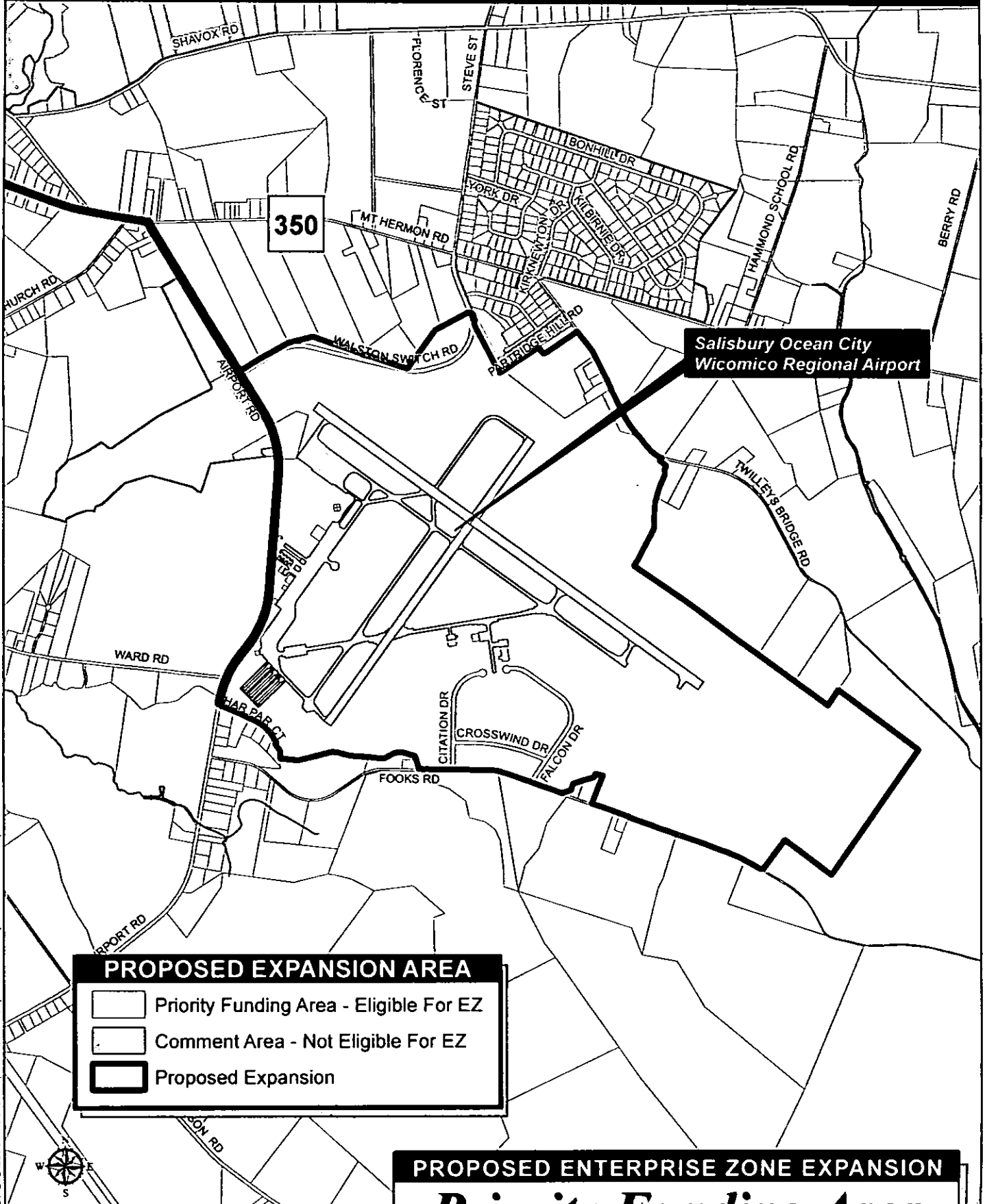


PROPOSED ENTERPRISE ZONE EXPANSION

County Owned Land

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SALISBURY - WICOMICO ENTERPRISE ZONE



Salisbury Ocean City
Wicomico Regional Airport

PROPOSED EXPANSION AREA

- Priority Funding Area - Eligible For EZ
- Comment Area - Not Eligible For EZ
- Proposed Expansion

PROPOSED ENTERPRISE ZONE EXPANSION
- Priority Funding Area -

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PFA Data Source: Maryland Department of Planning

INTER

OFFICE

MEMO

OFFICE OF THE MAYOR

To: Matt Creamer
From: Laura Kordzikowski, Business Development Specialist
Subject: Enterprise Zone Expansion
Date: September 23, 2016

BACKGROUND

The County Executive recently approached the Salisbury-Wicomico County Planning & Zoning office on the feasibility of expanding the current Salisbury-Wicomico Enterprise Zone to include the airport. After discussions with the Maryland Department of Commerce, Planning & Zoning determined an eligible avenue that could expand the Enterprise Zone to include this area. As the City serves as the Enterprise Zone administrator, representatives from Planning & Zoning approached administration about making an application to the Maryland Department of Commerce to pursue this expansion. The Department of Commerce has a deadline of October 15th and we would like to bring this opportunity in front of City Council Work Session September 19th and in front of Legislative Session for a Public Hearing on September 26th. Concurrently, this request will be brought in front of County Council for the September 20th Work Session and October 4th Legislative Session (with Public Hearing)

The current Enterprise Zone is 4,280.96 acres and the expansion would add an additional 1,000.52 acres. Currently, the Enterprise Zone offers two tax credits – a property tax credit and an income tax credit. The thresholds to receive these credits in the Enterprise Zone are:

- Creation of at least two (2) or more full time jobs
- Investment of a minimum of \$50,000 in capital improvements

The income tax credit is equivalent to \$1,000 per qualifying employee and the property tax credit is 80% of the difference between the base year value of the property and the change in assessed value after the improvements are completed at 80% for the first 5 years and declining by 10% for the following five.

If this memo and supporting material are acceptable, I will advance this item to the City Clerk

for the September 19th Work Session.

Attachment(s): Proposed Expansion Area for the Enterprise Zone