

RESOLUTION NO. 2882

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND DECLARING THAT 500 RIVERSIDE REALTY LLC IS ELIGIBLE TO RECEIVE ENTERPRISE ZONE BENEFITS FOR PROPERTY LOCATED AT 500 RIVERSIDE DRIVE, SALISBURY MD.

WHEREAS the City of Salisbury, Maryland and Wicomico County created an Enterprise Zone on June 6, 1983 for the purpose of encouraging economic development of the area encompassed within the boundaries of such zone; and

WHEREAS the Enterprise Zone was created under authority granted by the State of Maryland; and

WHEREAS the State Code permits certain benefits to be extended to businesses that locate or expand in the Enterprise Zone provided that they meet certain standards; and

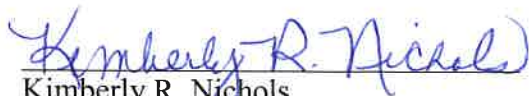
WHEREAS, the City of Salisbury and Wicomico County have also established certain standards, which must be met in order for a business to be deemed eligible to receive Enterprise Zone benefits; and

WHEREAS, 500 Riverside Realty LLC meets the standards set forth in the State Code and in local regulations to be eligible to receive Enterprise Zone benefits; and

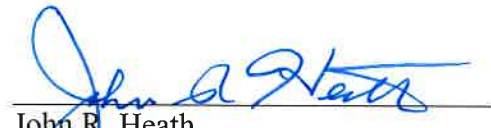
WHEREAS, Kiya Safai, representing 500 Riverside Realty LLC, has requested that the company be designated as eligible for Enterprise Zone benefits because of its investment of more than \$50,000 at their property located in the zone at 500 Riverside.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland that 500 Riverside Realty LLC be designated as eligible to receive the benefits of the Enterprise Zone effective upon the adoption of this resolution.

The above Resolution was introduced and read and passed at the regular meeting of the Salisbury City Council on the 13th day of November, 2018.

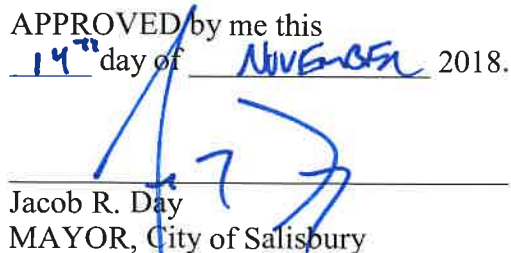


Kimberly R. Nichols
CITY CLERK



John R. Heath
PRESIDENT, City Council

APPROVED by me this
14th day of NOVEMBER 2018.



Jacob R. Day
MAYOR, City of Salisbury

**Application for Maryland State Enterprise Zone Certification in
Salisbury-Wicomico County, Maryland**

This application will determine whether your business, property, or developer is eligible for Maryland Enterprise Zone tax credits. If determined to be eligible, you will receive a letter from the Enterprise Zone Administrator indicating which tax credit(s) you are eligible to receive.

Applying For:

Income Tax Credit

Real Property Tax Credit

Personal Property Tax Credit (Applies only to Focus Area Zones)

This Section is to be filled by Local Zone Administrators Only

The Real Property Credit

A ten-year credit against local property taxes is available to companies that locate, expand, or substantially improve business properties in the Enterprise Zone. The property tax credit is equal to 80% of the difference between the base value of the property (the assessment in the year prior to new construction, expansion, or substantial improvement) and the newly assessed value of the property after the investment is made. The property tax credit is 80% for five years. During the last five years, the property tax credit declines 10% annually; the credit is 70%, 60%, 50%, 40%, and 30% respectively. This tax credit is administered to the real property owner in their Property Taxes.

Necessary Qualifications

- Applicant must plan to make a capital investment in its property of \$50,000 or more
- Applicant should be mindful of having a base assessment done before commencing work
- Applicant should apply after receiving all required building permits and before or at the beginning of construction.
- Only commercial properties may apply, any portion of the property devoted to residential use may not receive the credit
- In order to receive a property tax credit for the next taxable year (beginning on July 1 when the tax bill is issued), the local Zone Administrator must certify to the Department of Assessments and Taxation the eligibility of a particular business by no later than the end of the preceding calendar year on December 31st.
- The granting of an Enterprise Zone property tax credit is affected by the timing of the completion of capital improvements, the assessment cycle, and how the improvements are assessed. (I.E. the improvement must change the value of the real property)
- The law states that the credit shall be granted to the "owner" of a qualified property. In cases where a lessee make the capital improvements, the lessees should make a contractual provisions with the owner of the qualified property regarding receipt of the property tax credit.

The State Income Credit

This credit is applied to your state income taxes, and its value is based on the number and type of new employees hired by the business. To receive the credit the business must meet the following:

- Must have hired two or more employees that meet necessary qualifications
- Must have been hired after the date on which the Enterprise Zone was designated or the date on which the business relocated in the Enterprise Zone, whichever is later.
- Must be filling a new position or replacing an employee who was previously certified as economically disadvantaged
- Must have been employed at least 35 hours a week for at least six months
- Must be paid at least 150% of the federal minimum wage throughout his or her employment by a business entity before or during the taxable year for which the entity claims a credit
- Must have spent at least half of his or her working hours in the Enterprise Zone or on activities directly resulting from the business location in the zone
- Must be a new employee or an employee rehired after being laid off by the business for more than one year

There are two types of income tax credits. If the employee is not economically disadvantaged, you may qualify for a one-time credit of \$1,000 per employee. If the employee is economically disadvantaged (as determined by the Maryland Jobs Service), you may take a credit up to \$3,000 of the employee's wages in the first year of employment. The credit is \$2,000 in the second year, and \$1,000 in the third. Once/if you have been certified, you can claim these credits upon filing a Tax Return.

- To be eligible, an applicant must answer all questions in Sections A and B
- If applying for the "Property" tax credit, please complete Section C
- If applying for the "Employment (income)" tax credit, please complete Section D
- If the account is located in Focus Area and you are applying for the "Personal Property" tax credit, please complete Section E

Section A: Applicant Information

Name of Business / Developer applying for Enterprise Zone credits:
500 Riverside Realty LLC

Name of Contact Person: Kiya Safai

Title: Project Manager

Phone: 410-422-5440

Email: safai.kiya@gmail.com

Mailing Address: _____

Section B: Enterprise Zone Property Information

Enterprise Zone Property Address: 500 Riverside Drive

Property Tax Account Number: 028575

Property Ownership: 500 Riverside Realty LLC

Lease: _____ Own: X

Section C: Enterprise Zone Property Improvements Information

To be eligible for Enterprise Zone property tax credits, the application must be submitted prior to the project completion date and issuance of User/Occupancy Permits. If the developer or company making property improvements is applying on behalf of the property owner, the property owner must concur with the application by co-signing below. The property tax credits are automatically applied to the property tax bill (i.e., directly awarded to the property owner only). If you are not applying for the property tax credit, this section may be left blank.

Owner of the Real Property: 500 Riverside Realty LLC

Mailing address of property owner: 27164 LOCH LOMOND CT SALISBURY MD 21801

Phone: 410-422-5440

Email Address: safai.kiya@gmail.com

Project Start Date: 10/31/18

Anticipated Project Completion Date: 12/31/19

Briefly describe capital improvements plans: bulk heading; development of 60,000 sq. ft. of retail/commercial/residential space

Type of Construction and Costs

Cost of building(s) & land (acquisition): \$ 650000

New Construction: \$ 6,000,000

Rehabilitation: \$ N/A

Cost of new machinery & equipment*: \$ 350000

I agree as a condition of certification to provide all data required by the Enterprise Zone Administrator as requested.

Name of Applicant: 500 Riverside Realty LLC Position/Title: Owner

Applicant Signature: _____ Date: _____

Name of Property Owner: 500 Riverside Realty LLC Position/Title: Owner

Property Owner Signature: _____ Date: _____

*Cost of new machinery & equipment is not a part of real property assessment.

Section D: Enterprise Zone Employment Tax Credit Information

To be eligible of Enterprise Zone employment tax credits, please complete the following section. Employment tax credits to be applied against State income tax liabilities are available for certain new employees hired in the Enterprise Zone. The requirements for qualified employees can be found on Maryland Department of Commerce Website: <http://commerce.maryland.gov/fund/programs-for-businesses/enterprise-zone-tax-credit>. If you are not applying for the employment tax credit, this section may be left blank.

Federal Employer Identification Number (EFIN): _____

Unemployment Insurance #: _____ NAICS Code (if available): _____

Type of Business (i.e., restaurant, retail, financial services, etc.): _____

Is business located in the Enterprise Zone now? Yes ____ No ____

If yes, since what year: _____

Is the business relocation from another place? Yes ____ No ____

If yes, where was the previous location?: _____

Is the business a new, start-up? Yes ____ No ____

Did the Enterprise Zone benefits affect your decision to locate at this address? Yes No

If yes, please explain how the Enterprise Zone benefits will assist your business. :

Number of existing employees: _____

If you are new to the Enterprise Zone, please provide the number of employees before relocating or locating in the Enterprise Zone: _____

If you were already located in the Enterprise Zone, please provide the number of employees as of date of this application in the Enterprise Zone: _____

Number of new full-time jobs to be created in the Enterprise Zone in the next 12 months: _____

Number of new part-time jobs to be created in the Enterprise Zone in the next 12 months: _____

I agree as a condition of certification to provide all data required by the Enterprise Zone Administrator as requested.

Name of Applicant: _____ Position/Title: _____

Signature: _____ Date: _____

60,000 sq.ft. Retail/Commercial Space. Plus, addition to current City River Walk Plan.

Type of Construction and Costs

Cost of building(s) & land (acquisition): \$ 650,000

New Construction: \$ 6,000,000

Rehabilitation: \$ N/A


Cost of new machinery & equipment*: \$ 350,000

I agree as a condition of certification to provide all data required by the Enterprise Zone Administrator as requested.

Name of Applicant: 500 Riverside Realty LLC Position/Title: Owner

Applicant Signature:  Date: 10/2/18

Name of Property Owner: 500 Riverside Realty LLC Position/Title: Owner

Property Owner Signature:  Date: 10/2/18

*Cost of new machinery & equipment is not a part of real property assessment.

Real Property Data Search

Search Result for WICOMICO COUNTY

[View Map](#)

[View GroundRent Redemption](#)

[View GroundRent Registration](#)

Tax Exempt:
Exempt Class: Special Tax Recapture:
 NONE

Account Identifier: District - 13 Account Number - 028575

Owner Information

Owner Name: 500 RIVERSIDE REALTY LLC **Use:** COMMERCIAL
Mailing Address: 27164 LOCH LOMOND CT **Principal Residence:** NO
 SALISBURY MD 21801- **Deed Reference:** /04119/ 00419

Location & Structure Information

Premises Address: 500 RIVERSIDE DR **Legal Description:** 3.04 AC
 SALISBURY 21801-0000 500 RIVERSIDE DRIVE
 Waterfront SURVEY SPIRO INVESTMENTS

Map:	Grid:	Parcel:	Sub District:	Subdivision:	Section:	Block:	Lot:	Assessment Year:	Plat No:	Plat Ref:
0111	0004	1500		0000				2019	0014/	0620

Special Tax Areas: **Town:** SALISBURY
Ad Valorem:
Tax Class:

Primary Structure Built	Above Grade Living Area	Finished Basement Area	Property Land Area	County Use
			3.0400 AC	

Stories	Basement	Type	Exterior	Full/Half Bath	Garage	Last Major Renovation

Value Information

	Base Value	Value	Phase-in Assessments	
		As of	As of	As of
		01/01/2016	07/01/2018	07/01/2019
Land:	500,000	500,000		
Improvements	0	0		
Total:	500,000	500,000	500,000	
Preferential Land:	0			

Transfer Information

Seller: DEVRECO LLC **Date:** 01/31/2017 **Price:** \$650,000
Type: ARMS LENGTH VACANT **Deed1:** /04119/ 00419 **Deed2:**
Seller: SPIRO INVESTMENTS LLC **Date:** 12/20/2013 **Price:** \$500,000
Type: ARMS LENGTH VACANT **Deed1:** /03662/ 00121 **Deed2:**
Seller: CAVALIER RESOURCES LIMITED **Date:** 06/11/2004 **Price:** \$1,400,000
Type: ARMS LENGTH MULTIPLE **Deed1:** /02245/ 00025 **Deed2:**

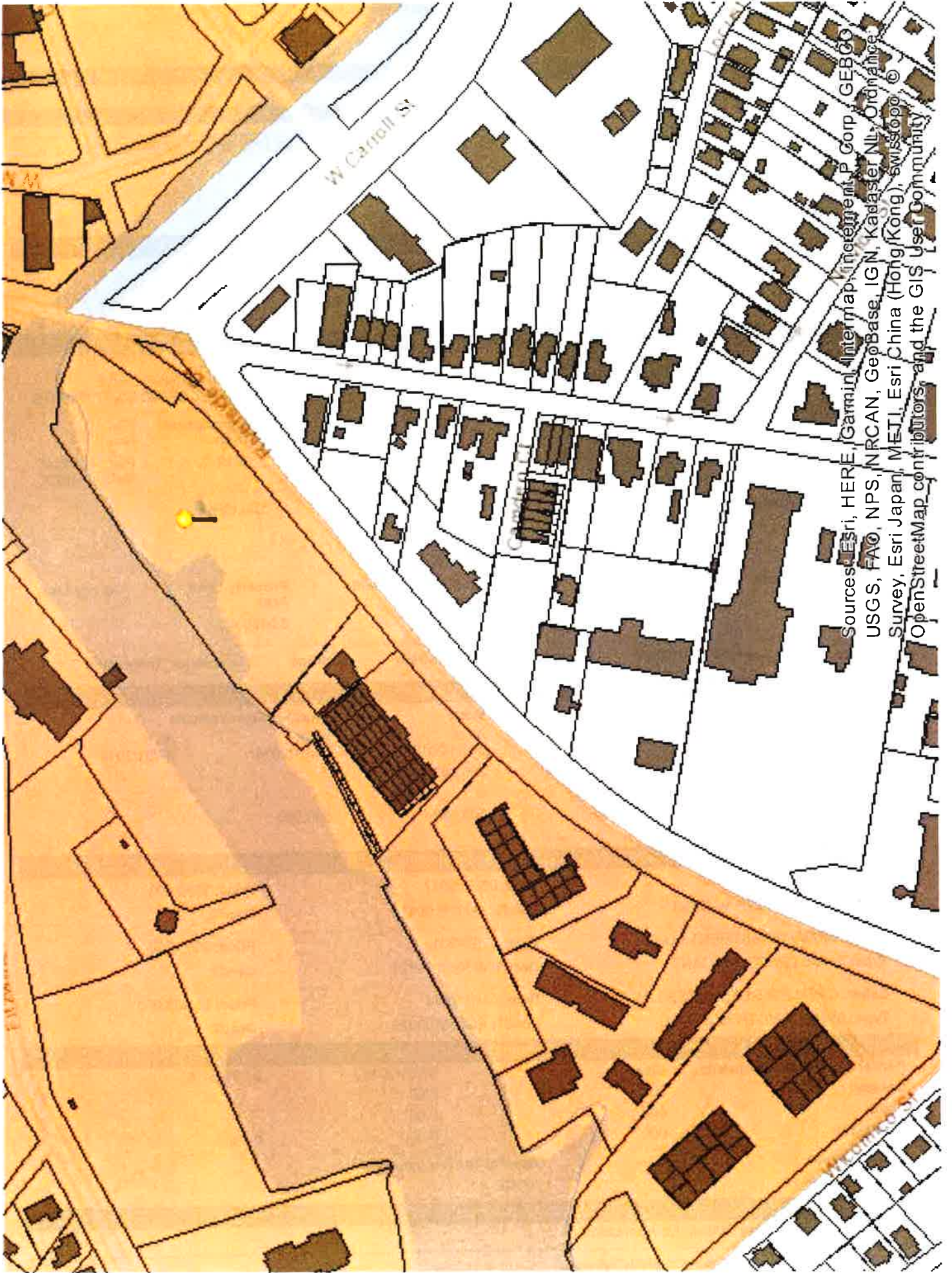
Exemption Information

Partial Exempt Assessments: **Class** 07/01/2018 07/01/2019
County: 000 0.00
State: 000 0.00
Municipal: 000 0.00| 0.00|

Tax Exempt: **Special Tax Recapture:**
Exempt Class: NONE

Homestead Application Information

Homestead Application Status: No Application



Sources: ESRI, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeBCo, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, © OpenStreetMap contributors, and the GIS User Community

INTER

OFFICE

MEMO

Office of Business Development

To: Amanda Pollack, Anne Roane, and Keith Cordrey
From: Laura Soper
Subject: Enterprise Zone Qualifications – 500 Riverside Realty LLC
Date: October 11, 2018

I have received a request from 500 Riverside Realty LLC located at 500 Riverside Dr, Salisbury, MD that they be deemed qualified to receive Enterprise Zone benefits. In order to receive such designation, it is necessary that they meet certain criteria. I am requesting that your departments help me in processing their application by helping me to determine if they meet the necessary criteria.

Infrastructure & Development

Does this business meet the limitations of the City's Sewer Use Ordinance?

Does this business meet State and local storm water management codes and regulations?

Does this business meet the zoning code?

Does this business comply with subdivision regulations?

Does this business meet the building code (or did it at the time of construction)?

Does this business meet all permit requirements?

Finance

Is this business up to date on their taxes?

Are they in good standing with SDAT?

Please answer the questions above under the heading for your department and return to my office by 10/23/2018. Your assistance is appreciated. If you have any questions, please let me know.

Laura Soper

From: Jennifer Clapper
Sent: Friday, October 26, 2018 9:38 AM
To: Laura Soper; Olga Butar
Cc: Keith Cordrey
Subject: RE: First Move Properties

Correct

Jennifer Clapper
Revenue Clerk III
Finance
City of Salisbury
125 N. Division St.
Salisbury, MD 21801
410-548-3110



www.salisbury.md

From: Laura Soper
Sent: Friday, October 26, 2018 9:33 AM
To: Jennifer Clapper <jclapper@salisbury.md>; Olga Butar <obutar@salisbury.md>
Cc: Keith Cordrey <kcordrey@salisbury.md>
Subject: RE: First Move Properties

But at this time, they are not past due... correct?

From: Jennifer Clapper
Sent: Friday, October 26, 2018 9:32 AM
To: Olga Butar
Cc: Keith Cordrey; Laura Soper
Subject: RE: First Move Properties

Good morning,

I checked and 500 Riverside Realty LLC is in good standing with SDAT. They have filed their personal property tax return but have not been assessed yet. Once they are assessed there will be a 2019 bill. I saw where Connie also checked real estate taxes for the previous application. At this time \$5158.92 is due.

Real Estate

[View Bill](#)

[View bill image](#)

As of 10/26/2018
Bill Year 2018
Bill 19412018
Owner 500 RIVERSIDE DR SALISBU
Parcel ID 19420001

Installment	Pay By	Amount	Payments/Credits	Balance	Interest
1	9/30/2018	\$9,107.50	\$0.00	\$9,107.50	\$1.28
2	12/31/2018	\$9,087.50	\$0.00	\$9,087.50	\$0.54
Interest			\$0.00		
TOTAL		\$18,195.00	\$0.00	\$18,195.00	\$1.82

Total selected:

Jennifer Clapper
Revenue Clerk III
Finance
City of Salisbury
125 N. Division St.
Salisbury, MD 21801
410-548-3110



www.salisbury.md

From: Olga Butar
Sent: Friday, October 26, 2018 8:50 AM
To: Jennifer Clapper <jclapper@salisbury.md>
Cc: Keith Cordrey <kcordrey@salisbury.md>; Laura Soper <lsoper@salisbury.md>
Subject: FW: First Move Properties
Importance: High

Jennifer,

Since Connie is out today, could you please answer 2 questions related to the business located at 500 Riverside Dr. Please see attached documentation for enterprise zone credits.
Thank you,

Olga Butar
Assistant Director of Finance - Operations
City of Salisbury
125 N. Division St
Salisbury, MD 21801
Email: obutar@salisbury.md

Laura Soper

From: Amanda Pollack
Sent: Tuesday, October 16, 2018 9:01 AM
To: Laura Soper
Cc: Anne Roane
Subject: Enterprise Zone application - 500 Riverside Drive

Laura,

The Enterprise Zone application for 500 Riverside Drive meets or will meet all of the criteria evaluated by the Infrastructure and Development department. It will meet all code and permit requirements prior to construction commencement.

Please let me know if you have any questions.

Amanda

Amanda H. Pollack, P.E.

Director
Department of Infrastructure and Development
City of Salisbury
125 N. Division St., Room 202
Salisbury, MD 21801
410-548-3170



www.salisbury.md