

RESOLUTION NO. 2883

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE CAPACITY FEE OF THE CITY'S COMPREHENSIVE CONNECTION CHARGE TO BE WAIVED FOR THE REDEVELOPMENT OF 132 EAST MAIN STREET.

WHEREAS, First Move Properties, LLC has requested a waiver of the Capacity Fee for the redevelopment of 132 East Main Street; and

WHEREAS, the proposed development is located inside the City Limits and the Central Business District; and

WHEREAS, the City seeks to encourage development and redevelopment in the Central Business District; and

WHEREAS, the City seeks to reduce the capacity fees for eligible development and redevelopment in the Central Business District by means of an Equivalent Dwelling Unit (EDU) Incentive Area; and

WHEREAS, the proposed redevelopment of 132 East Main Street requires 27.04 Equivalent Dwelling Units of water and sewer service; and

WHEREAS, the property is currently allocated 1.38 Equivalent Dwelling Units, therefore the net allocation request submitted by First Move Properties, LLC for its redevelopment of 132 East Main Street is 25.66 Equivalent Dwelling Units; and

WHEREAS, the current Capacity Fee for one Equivalent Dwelling Unit is \$3,533.00; and

WHEREAS, the Capacity Fee for 25.66 Equivalent Dwelling Units is \$90,656.78; and

WHEREAS, the City Council approved a Capacity Fee waiver process under Ordinance No. 2258 for development in the Central Business District; and

WHEREAS, the Director of Infrastructure and Development reviewed the request and has determined that the project is eligible for the Capacity Fee waiver; and

WHEREAS, the Mayor reviewed the request and supports sending the request to the City Council; and

WHEREAS, if approved, the EDU allocation for the Capacity Fee waiver is valid for two years from the time of the signing of this Resolution; and


WHEREAS, the property owner has the option to request an extension of the allocation for two one-year terms, if approved in writing by the Director of Infrastructure and Development prior to expiration of the term; and

WHEREAS, the allocated EDUs are assigned to the redevelopment of 132 East Main Street and cannot be transferred by the recipient.


NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Salisbury, Maryland approves the waiver of 25.66 Equivalent Dwelling Units of Capacity Fee for the redevelopment of 132 East Main Street by First Move Properties, LLC.

THIS RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on November 13, 2018 and is to become effective immediately upon adoption.

ATTEST:

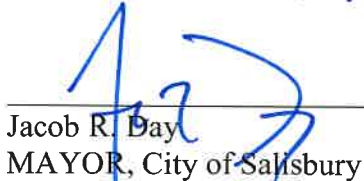


Kimberly R. Nichols
CITY CLERK



Jack R. Heath
PRESIDENT, City Council

APPROVED by me this 14th day of NOVEMBER, 2018



Jacob R. Day
MAYOR, City of Salisbury



City of
Salisbury
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator
From: Amanda Pollack, P.E., Director of Infrastructure and Development *AP*
Date: October 16, 2018
Re: Resolution – 132 East Main Street Capacity Fee Waiver

Attached is a letter from First Move Properties, LLC dated September 24, 2018 which requests consideration for a Capacity Fee waiver for the redevelopment of 132 East Main Street. The developer is proposing to convert the first floor into commercial retail space and the 2nd through 4th floors into residential apartments, and to construct six additional floors for residential apartments. The request is for a waiver of 25.66 EDUs. At the current Capacity Fee rate of \$3,533, the waiver request is \$90,656.78.

Please note that the EDU's allocated to this property currently have been deducted from the request. The total proposed project needs 27.04 EDUs for the residential, retail and office space. The property is currently allocated 1.38 EDUs, therefore the net request for the capacity fee waiver is 25.66 EDUs.

Per Ordinance No. 2258, the owner is seeking a Capacity Fee waiver as part of the Equivalent Dwelling Unit (EDU) Incentive Area. The original allocation of 300 EDUs was based on a transfer of EDUs from the former Linens of the Week property. To date, 83.8 EDUs of the original allocation of 300 EDUs have been used, therefore there are 216.2 EDUs available.

As per Ordinance No. 2258, Infrastructure and Development has evaluated the eligibility of this project for the EDU Incentive Area. The project location is within the Central Business Zoning District and will consist of redevelopment that is not eligible for an affordable housing waiver. The project does or will comply with all other necessary criteria.

Attached is a Resolution for consideration to waive the Capacity Fees associated with the development of 132 East Main Street. After review of the request, Infrastructure and Development recommends approval. If this EDU waiver is approved, then it will be valid for two years from the date of the Resolution. Additionally, the EDU Incentive Area will have 190.54 EDUs remaining for other projects.

Unless you or the Mayor has further questions, please forward a copy of this memo, request letter and Resolution to the City Council.

FIRST MOVE PROPERTIES, LLC
P.O. Box 335
Salisbury, MD 21803

September 24, 2018

City of Salisbury, Maryland
Department of Infrastructure & Development
Attn: Amanda H. Pollack, P.E., Director (apollack@salisbury.md)
125 N. Division Street, Room 202
Salisbury, Maryland 21801

**Re: *First Move Properties, LLC's Request for Capacity Fee Waiver;
Redevelopment of 132 E. Main Street, Salisbury, MD 21801***

Dear Ms. Pollack:

On behalf of First Move Properties, LLC ("First Move"), please accept this letter as First Move's formal request to the City of Salisbury for a waiver of the Capacity Fees associated with First Move's redevelopment of 132 E. Main Street, Salisbury, Maryland 21081 (the "Building").

As the City is aware, First Move plans to redevelop the Building by: converting the 1st floor into commercial retail space and the 2nd through 4th floors into four-person luxury-style apartments; and, constructing six additional floors to the Building finished with primarily four-person luxury-style apartments, plus some two-person units (the "Project"). The Project is on the brink of being permitted for construction. Indeed, over the course of the last two months, First Move has received: preliminary approval from the City of Salisbury Historic District Commission (the "HDC") for the Project's massing and façade; a Special Exception from the City of Salisbury Board of Zoning Appeals (the "BZA") permitting the Project's proposed building height of 120 feet; a Special Exception from the BZA permitting an increased density for the Project; and, approval of the Project's Site Plan from the Salisbury-Wicomico County Planning & Zoning Commission. First Move's request for final approval of the Project will be considered by the HDC at its October 24, 2018 meeting. Once completed, the Project will more than double the residential inventory available for rent in Downtown Salisbury; and, because the Project is premised on offering high quality apartment-style rentals to university students, the Project will permanently strengthen the connection between Downtown Salisbury and Salisbury University.

Pursuant to Ordinance No. 2258, the City created and authorized an "EDU Incentive Area" to reduce the capacity fees assessed against certain development and redevelopment projects in the City's Downtown Development District, the Central Business District, the Riverfront Redevelopment Area and the City's designated Enterprise Zone. Recently, the City Council passed Resolution No. 2864, which extended the expiration date of the EDU Incentive Area until September 23, 2023. Currently, 216.2 EDUs are available for use within the City's EDU Incentive Area.

FIRST MOVE PROPERTIES, LLC
P.O. Box 335
Salisbury, MD 21803

First Move estimates a total of 25.66 EDUs are needed for the Project. Under the City's EDU Incentive Area program, First Move is eligible for a waiver of the Capacity Fees associated with the EDUs allocated for the Project: the Project is located within the City's EDU Incentive Area; and, the Project satisfies all criteria governing the City's waiver of Capacity Fees for development projects undertaken within the EDU Incentive Area. Therefore, in accordance with the provisions of Chapter 13.04.110 of the City Code, First Move respectfully requests the City waive the Capacity Fees of \$90,656.78 assessed for the 25.66 EDUs needed for development of the Project.

If City staff has any questions or needs additional information regarding the matters addressed in this correspondence, please do not hesitate to contact me. On behalf of First Move, thank you for your time and consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nick Simpson", written in a cursive style.

Nicholas Simpson,
First Move Properties, LLC