

RESOLUTION NO. 2893

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND
AUTHORIZING AN AMENDMENT TO RESOLUTION 2831 TO AMEND A
WORDING ERROR

WHEREAS, the City Council is interested in promoting the re-development and economic growth of the Route 13 corridor from Salisbury University to Downtown Salisbury; and

WHEREAS, the Maryland Department of Commerce can assist the City in this endeavor by allowing Salisbury to designate a Regional Institution Strategic Enterprise Zone, thereby providing a real property tax credit for qualified property located within the boundaries of the Zone as shown on the attached map; and

WHEREAS, the Maryland General Assembly has established a Regional Institution Strategic Enterprise Zone ("RISE Zone") Program to (i) access institutional assets that have a strong and demonstrated history of commitment to economic development and revitalization in the communities in which they are located and (ii) provide certain benefits to eligible projects developed in those areas; and

WHEREAS, Tax-Property Article, § 9-103.1, of the Annotated Code of Maryland, mandates that local governments grant a real property tax credit to qualified properties within a RISE Zone and that, if a qualified property is also within an Enterprise Zone designated under Economic Development Article § 5-706, of the Annotated Code of Maryland, the tax credit must be equal to 80% of the amount of property tax imposed on the eligible assessment of the qualified property for each of the 5 taxable years following the calendar year in which the property initially qualifies; and

WHEREAS, applications for designation of a RISE Zone must be submitted jointly by a qualified institution and a county or municipal corporation; and

WHEREAS, Salisbury University submitted and received its Qualified Institution designation in April 2017; and

WHEREAS, the City of Salisbury desires to join with Salisbury University to execute and submit an application to the State of Maryland Department of Commerce for the area specified on the attached map (Exhibit A) to be designated as a RISE Zone.

NOW, THEREFORE, BE IT RESOLVED, that the City of Salisbury:

- (1) approves the designation of Salisbury University as a "qualified institution" under the Regional Institution Strategic Enterprise Zone ("RISE Zone") Program; and
- (2) approves the submission of an application to designate the attached map area as a RISE Zone, and authorizes and directs the appropriate City officials to join with

Salisbury University in executing and submitting the application to the Maryland Department of Commerce; and

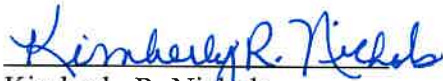
(3) acknowledges and approves that, upon the designation of the RISE Zone, properties located in the designated area as shown on the attached map will be entitled to a local property tax credit in the amount and for the tax years mandated by Tax-Property Article, § 9-103.1; and

(4) acknowledges and approves that, upon the designation of the RISE Zone, properties located in the designated area as shown on the attached map area may be entitled to a State income tax credit under § 10-702 of the Tax – General Article; and

(5) acknowledges and approves that, upon the designation of the RISE Zone, properties located in the designated area as shown on the attached map will be entitled to priority consideration for financial assistance from programs in Subtitle 1 of Title 9 of the Tax-Property Article.

THE ABOVE RESOLUTION, was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 10th day of December, 2018 and is to become effective immediately.

ATTEST:




Kimberly R. Nichols,
City Clerk



John R. Heath,
Council President

APPROVED BY ME this 11th day of DECEMBER, 2018



Jacob R. Day
Mayor



City of
Salisbury
Jacob R. Day, Mayor

MEMORANDUM

To: City Administration
From: Laura Soper
Subject: RISE Zone Resolution amendment
Date: 11/21/18

After the approval of our RISE Zone application to the Department of Commerce, I was contacted by one of their program specialists about a small wording error in Resolution 2831 that was passed in April 2018.

The error is highlighted in the attached packet and requires a simple word change of “focus area” to “Enterprise Zone.” (As Salisbury does not have any areas considered Focus Areas). Per the recommendation of City Legal, I have prepared an amended Resolution to this effect and provided documentation for why this edit was requested.

Laura Soper

From: Emiko Kawagoshi -COMMERCE- <emiko.kawagoshi@maryland.gov>
Sent: Tuesday, November 20, 2018 10:30 AM
To: Laura Soper
Subject: Fwd: Salisbury University RISE Zone Designation Application
Attachments: Resolution No. 48-2018 Salisbury University RISE Zone Designation Application.pdf

Good morning Laura,

Thank you very much for your help on RISE zone GIS shape files. I want to follow up with you about the minor errors on County and City's RISE Zone resolutions. Mark and Abi discussed with you about correcting the section of resolutions - from "focus area" to "enterprise zone" since Salisbury Enterprise Zone does not have "focus area". I am not sure you have a chance to discuss with your legal team. Although Commerce already has approved the designation of your RISE zone, this is something needed be amended to make this designation complete.

Please let me know if you have any questions.

Thank you very much and have a wonderful thanksgiving!

Emiko Kawagoshi

Tax Specialist, Tax Incentives
Finance Programs
Maryland Department of Commerce
401 E. Pratt Street, Baltimore, MD 21202
O 410.767.4041 E emiko.kawagoshi@maryland.gov



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----- Forwarded message -----

From: Abigail McKnight -COMMERCE- <abigail.mcknight@maryland.gov>
Date: Thu, Sep 27, 2018 at 6:01 PM
Subject: Salisbury University RISE Zone Designation Application
To: <lsoper@salisbury.md>
Cc: Mark Vulcan -COMMERCE- <mark.vulcan@maryland.gov>

Hello Laura,

Further to our conversation this afternoon, please find attached Resolution No.48-2018. I highlighted the wording "focus area." Per § 9-103.1.(C)(4)(i) for qualified property located in an "enterprise zone" designated under Title 5, Subtitle 7 of the Economic Development Article, the appropriate governing

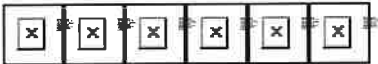
body shall calculate the amount of tax credit under this section equal to 80% of the amount of property tax imposed on the eligible assessment of the qualified property for each of the 5 taxable years following the calendar year in which the property initially becomes a qualified property.

Please discuss with your legal team. The wording should be "enterprise zone."

If you have any questions, please let me know.

Thanks,
Abi

Abigail McKnight
Tax Specialist
Office of Finance Programs
401 E. Pratt Street, 17th Floor
Baltimore, MD 21202
410-767-7234
abigail.mcknight@maryland.gov



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