

RESOLUTION NO. 2940

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND DECLARING THAT NORTHWOOD PROFESSIONAL CENTER LLC IS ELIGIBLE TO RECEIVE ENTERPRISE ZONE BENEFITS FOR PROPERTY LOCATED AT 2324 WEST ZION RD, 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, Northwood Professional Center LLC meets the standards set forth in the State Code and in local regulations to be eligible to receive Enterprise Zone benefits; and


WHEREAS, Charles Holland, representing Northwood Professional Center LLC, has requested that the company be designated as eligible for Enterprise Zone benefits because of its investment of more than \$50,000 in their property located in the zone at 2324 West Zion Rd.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland that Northwood Professional Center 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 May 2019.

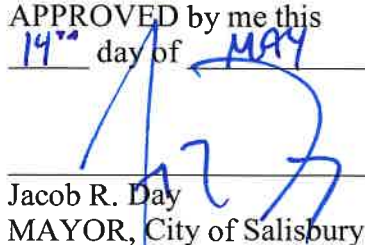


Kimberly R. Nichols
CITY CLERK



John R. Heath
PRESIDENT, City Council

APPROVED by me this
14th day of MAY 2019.



Jacob R. Day
MAYOR, City of Salisbury

INTER

OFFICE

MEMO

Office of the Business Development

To: City Council
From: Laura Soper
Subject: Enterprise Zone Eligibility – Northwood Professional Center LLC
Date: May 10, 2019

Attached is a copy of the application requesting Enterprise Zone designation for Northwood Professional Center LLC that I received from Charles Holland. I have reviewed this application and, to the best of my knowledge, this establishment meets all of the qualifications to be so designated. This property is located within the boundaries of the City's Enterprise Zone, and this company has invested more than \$50,000 in the property and/or has hired (or will hire) two or more NEW full time employees since locating in the Enterprise Zone.

I recommend that the City Council adopt the attached resolution designating Northwood Professional Center LLC located at 2324 West Zion Rd, eligible to receive the benefits of the Enterprise Zone.

As a reminder, companies that are declared eligible for enterprise zone benefits are able to receive either a one time Income Tax Credit of \$1,000 per new employee hired or a 10 year Property Tax Credit. The purpose of this program is to encourage industries to locate in areas identified as enterprise zones and to reinvest in such properties.

cc: Mayor Day
Julia Glanz
Kim Nichols

Attachments

Amy Zaprowski

From: Connie Klaverweiden
Sent: Wednesday, April 17, 2019 9:31 AM
To: Amy Zaprowski; Laura Soper
Cc: Olga Butar
Subject: FW: Enterprise Zone Application Received
Attachments: 20190409143309.pdf

Amy & Laura,

All real estate taxes for the property ID 09074694 are paid through the FY'19 year. The LLC is a new business sin May 2018 so there are no personal property taxes due and the business is in good standing.

Connie Klaverweiden
Revenue Supervisor
Finance Department
City of Salisbury
125 N. Division Street, Room 103
Salisbury, MD 21801
410-548-3110



From: Olga Butar
Sent: Tuesday, April 9, 2019 3:13 PM
To: Amy Zaprowski <azaprowski@salisbury.md>; Amanda Pollack <APollack@salisbury.md>; Connie Klaverweiden <cklaverweiden@salisbury.md>
Cc: Laura Soper <lsoper@salisbury.md>
Subject: RE: Enterprise Zone Application Received

Connie,

Could you please provide requested information.
Thank you,

Olga Butar
Assistant Director of Finance - Operations
City of Salisbury
125 N. Division St
Salisbury, MD 21801
Email: obutar@salisbury.md
Phone: 410-548-3110

Amy Zaprowski

From: Amanda Pollack
Sent: Wednesday, April 10, 2019 2:11 PM
To: Amy Zaprowski; Olga Butar
Cc: Laura Soper
Subject: RE: Enterprise Zone Application Received

Amy,

This project meets current building codes and permit requirements. It also meets zoning requirements for parking, landscaping, building setbacks, and screening. All criteria reviewed by this department has been met.

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

From: Amy Zaprowski
Sent: Tuesday, April 9, 2019 2:38 PM
To: Amanda Pollack; Olga Butar
Cc: Laura Soper
Subject: Enterprise Zone Application Received

Hi ladies,

Laura is teaching me the Enterprise Zone process so I'll be sending some emails to learn the process when we get new applications. Please reply all so that both Laura and I are looped in.

Thank you,

Amy

**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	<input type="checkbox"/>
Real Property Tax Credit	<input checked="" type="checkbox"/>
Personal Property Tax Credit (Applies only to Focus Area Zones)	<input type="checkbox"/>
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.

Section A: Applicant Information

Name of Business / Developer applying for Enterprise Zone credits:

Northwood Professional Center LLC

Name of Contact Person: Charles Holland

Title: Member

Phone: 443-783-0230

Email: topnotchdrywall1@aol.com

Mailing Address: P.O. Box 243 Hebron, MD, 21830

Section B: Enterprise Zone Property Information

Enterprise Zone Property Address: 2324 West Zion Road Salisbury, MD 21804

Property Tax Account Number: 09-074694

Property Ownership: Northwood Professional Center LLC

Lease: Own:

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: Northwood Professional Center LLC

Mailing address of property owner: P.O. Box 243 Hebron, MD 21830

Phone: 443-783-0230

Email Address: topnotchdrywall1@aol.com

Project Start Date: 8/15/18

Anticipated Project Completion Date: 3/1/19

Briefly describe capital improvements plans: 17 unit professional center

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): 83-152-1952

Unemployment Insurance #: N/A NAICS Code (if available): _____

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

Is business located in the Enterprise Zone now? Yes _____ No X

If yes, since what year: _____

Is the business relocation from another place? Yes _____ No X

If yes, where was the previous location?: N/A

Is the business a new, start-up? Yes X 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. :

Gives us financial assistance during the start up period of the facility

Number of existing employees: 0

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

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: N/A

Number of new full-time jobs to be created in the Enterprise Zone in the next 12 months: 40

Number of new part-time jobs to be created in the Enterprise Zone in the next 12 months: 10

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

Name of Applicant: Charles Holland Position/Title: Member

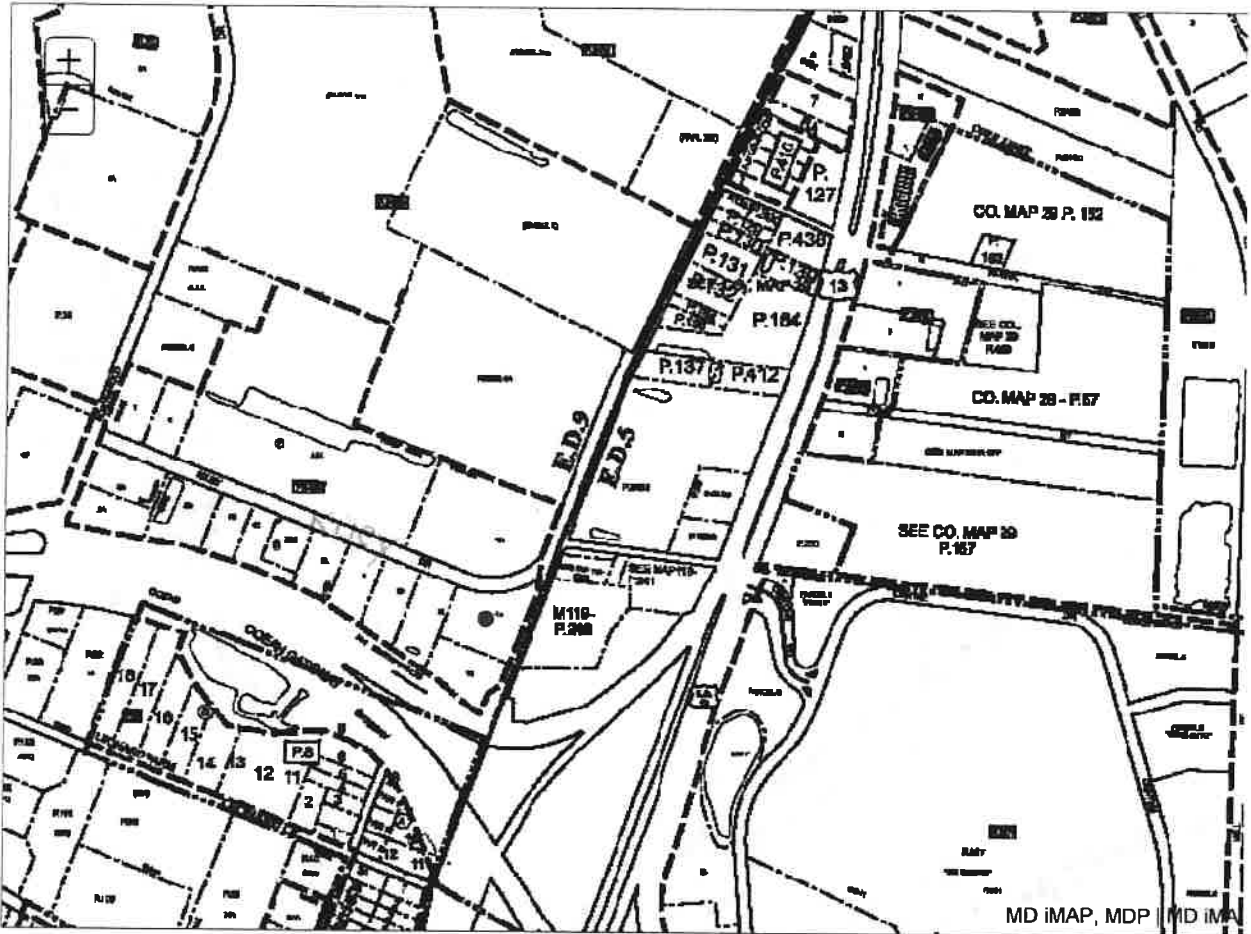
Signature: Charles Holland Digitally signed by Charles Holland
Date: 2019.03.26 14:59:25 -04'00' Date: 3/26/19



Wicomico County

New Search (<http://sdat.dat.maryland.gov/RealProperty>)

District: **09** Account Number: **074694**



The information shown on this map has been compiled from deed descriptions and plats and is not a property survey. The map should not be used for legal descriptions. Users noting errors are urged to notify the Maryland Department of Planning Mapping, 301 W. Preston Street, Baltimore MD 21201.

If a plat for a property is needed, contact the local Land Records office where the property is located. Plats are also available online through the Maryland State Archives at www.plats.net (<http://www.plats.net>).

Property maps provided courtesy of the Maryland Department of Planning.

For more information on electronic mapping applications, visit the Maryland Department of Planning web site at <http://planning.maryland.gov/Pages/OurProducts/OurProducts.aspx> (<http://planning.maryland.gov/Pages/OurProducts/OurProducts.aspx>).

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City of
Salisbury
Jacob R. Day, Mayor

April 9, 2019

Charles Holland
Northwood Professional Center LLC
PO Box 243
Hebron, MD 21830

Dear Mr. Holland:

I have received your request for enterprise zone designation for Northwood Professional Center LLC located in Salisbury MD. I will begin processing this request immediately. I will be back in touch if I need further information, and to let you know when this matter will be brought before the City Council and the County Council for approval.

If you have any questions in the meantime, please let me know. My phone number is 410-677-1916.

On behalf of the Mayor and the City Council, I would like to express our appreciation for your interest in investing in our community.

Very truly yours,

Laura Soper
Director of Business Development – City of Salisbury