

RESOLUTION NO. 2988

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 DEVELOPMENT OF 144 EAST MAIN STREET.

WHEREAS, First Move Properties, LLC has requested a waiver of the Capacity Fee for the development of 144 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 development of 144 East Main Street requires a total of 35 Equivalent Dwelling Units of water and sewer service; and

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

WHEREAS, the Capacity Fee for 35 Equivalent Dwelling Units is \$123,655.00; 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 development of 144 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 35 Equivalent Dwelling Units of Capacity Fee for the development of 144 East Main Street by First Move Properties, LLC.

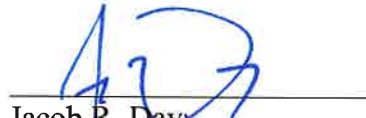
THIS RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on January 13, 2020 and is to become effective immediately upon adoption.

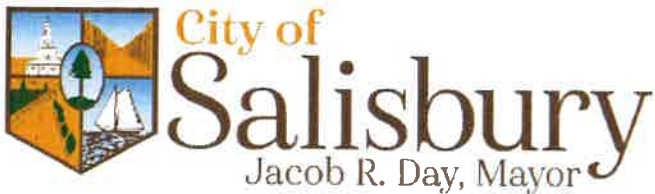
ATTEST:

  
\_\_\_\_\_  
Kimberly R. Nichols  
CITY CLERK

  
\_\_\_\_\_  
John R. Heath  
PRESIDENT, City Council

APPROVED by me this 21<sup>st</sup> day of JAN, 2020

  
\_\_\_\_\_  
Jacob R. Day  
MAYOR, City of Salisbury



To: Julia Glanz, City Administrator  
From: Amanda Pollack, P.E., Director of Infrastructure and Development  
Date: December 19, 2019  
Re: Resolution – 144 East Main Street Capacity Fee Waiver

AP

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Attached is a letter from First Move Properties, LLC dated December 19, 2019 which requests consideration for a Capacity Fee waiver for the redevelopment of 144 East Main Street. 144 East Main Street is the Chamber of Commerce Building. It is proposed to be developed into a mixed use apartment complex. The building will have thirty-one (31) apartments and office space. Additionally, the request includes the Capacity Fees associated with the event space in the Ross Complex at 130/132 East Main Street. The total request is for a waiver of 35 EDUs. At the current Capacity Fee rate of \$3,533, the waiver request is equivalent to \$123,655.00.

144 East Main Street is part of the overall development that include 130 and 132 East Main Street. Those properties were granted Capacity Fee waivers via Resolution Nos. 2883 and 2924, which totaled 56.84 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, 213.64 EDUs of the original allocation of 300 EDUs have been used, therefore there are 86.36 EDUs available. If this request is approved, there will be 51.36 EDUs remaining.

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 144 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.

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 4365**  
**Salisbury, MD 21803**

December 19, 2019

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 Revised Request for Capacity Fee Waiver; Redevelopment of 144 E. Main Street, Salisbury, Maryland 21801 (Map 0107, Grid 0015, Parcel 858 and 878)***

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 144 E. Main Street ("the Project")

First Move plans to demolish and redevelop the two-story office building located at 144 E. Main St. into two-person, three-person, and four-person luxury style apartments. The Project is on the brink of being permitted for construction. In the next few weeks First Move will be submitting applications for preliminary approval from the City of Salisbury Historic District Commission and the Salisbury-Wicomico County Planning and Zoning Commission. Additionally, the Project is premised on offering high quality apartment-style rentals to university students, thus the Project will inextricably link Salisbury University to Downtown Salisbury.

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. Before passing Resolution No. 2883, the City Council passed Resolution No. 2864 to extend the expiration date of the EDU Incentive Area until September 23, 2023.

First Move estimates a total of 35 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 \$123,655 assessed for all 35 EDUs needed for First Move's 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 'N. Simpson', with a stylized flourish at the end.

**Nicholas Simpson,  
First Move Properties, LLC**

**144 E. Main St.**

Residential: 31 Units = 31 EDU's

Office: 1500sqft = .54 EDU's

Event Space: 10,000sqft = 4 EDU's

Sub-Total: 35.54 EDU's

Less Credit of 1 EDU for existing water at 144 E. Main

Grand Total: 34.32 EDU's Rounded up to 35 EDU's

$\$3,533 * 35 \text{ EDU's} = \$123,655$