RESOLUTION NO. 3000

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 123 BATEMAN STREET.

WHEREAS, Bateman Street Partnership LLC c/o Mr. Bob Kambarn has requested a waiver of the Capacity Fee for the redevelopment of 123 Bateman Street; and

WHEREAS, the proposed redevelopment is located inside the City Limits and the Enterprise Zone; and

WHEREAS, the City seeks to encourage redevelopment in the Enterprise Zone; and

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

WHEREAS, the proposed redevelopment of 123 Bateman Street requires a total of 3.9 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 3.9 Equivalent Dwelling Units is \$13,778.70; and

WHEREAS, the City Council approved a Capacity Fee waiver process under Ordinance No. 2258 for redevelopment in the Enterprise Zone; 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 123 Bateman 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 3.9 Equivalent Dwelling Units of Capacity Fee for the redevelopment of 123 Bateman Street by Bateman Street Partnership LLC.

THIS RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on February 10, 2020 and is to become effective immediately upon adoption.

ATTEST:

CITY CLERK

John R Heath

PRESIDENT, City Council

MAYOR, City of Salisbury

January 14, 2020

Salisbury Infrastructure & Development 125 N. Division St. Suite 202 Salisbury, Md. 21801

Attn: Amanda Pollack

Re: 123 Bateman Street EDU Forgiveness (Enterprise Zone)

Dear Ms. Pollack:

I would like to thank you for taking the time last week to talk to me concerning the EDU's for our new mixed-use property at 123 Bateman St. in Salisbury. Our contractor has been working with Brian Wilkins from your Dept. who has been extremely helpful on getting the water turned on for the new redeveloped property. Brian came up with a new usage fee that would require for us to buy 3.9 EDU's at a cost of \$13,779.00 with contractor costs of approximately \$6,000.00. This is a new huge endeavor and expenditure on our behalf for our retirement to improve this property from an old retail/warehouse to a new high-end mixed-use office or retail/residential property (before and after pictures enclosed). With the renovations and addition to this property, it will benefit the area by turning this property to an architecturally appealing property. We were not aware that we were in the Enterprise Zone or the benefits it provides for the redevelopment when the contractor was discussing the water hookup/EDUs. Thank you for emailing me the information on the Enterprise Zone and the requirement's which we feel we meet which we have answered below.

Requirements/Response

- 1. The new mixed-use property is located within the Enterprise Zone.
- 2. The existing property has been revitalized from an office/warehouse to a new office or retail/residential mixed-use property.
- 3. The property is not public sponsored or affordable housing
- 4. The property complies with the applicable Zoning and Building Codes. (Building Permit attached)
- The property is not in the historic district.
- 6. The project is consistent with the Comprehensive Plan of the City
- 7. The property has been upgraded from an unoccupied older retail/warehouse to an architecturally appealing office or retail/residential property which will bring in new business and housing.

8. The property brings in a new office/retail opportunity to the area (The existing property was the former Wicomico County Board of Elections) along with four residential apartments which is an upgrade economically and upgrade to the property from its former use.

We have taken a big risk upgrading this property from its former use with a large financial risk and with the additional cost for the EDU's at \$13,779.00 would be a huge financial burden for us as we attempt to rent the office/retail and the apartments. We certainly hope we shown you that we have met the criteria for the Enterprise Zone and that the costs of the EDU's can be waived.

If you should have any questions regarding this letter or would like to meet please feel free to contact me at 410-749-2400.

Sincerely,

Bob Kambarn

CITY OF SALISBURY Department of Infrastructure & Development (410) 548-3130

BUILDING PERMIT

| Permit #: 19-013 | Issued: 1.11.2019 |
|-------------------------------|---------------------------------|
| Owner: Bateum St. Parpeatics | Const. Address: 123 Batemen 5 + |
| Contractor: IDC Const. MANACY | Type of Const.: Apts & affice |
| License #: | |

POST THIS CARD

In all cases where operation or work is being performed under a building permit, this poster or sign shall be conspicuously displayed upon that part of the site of such operation or work which is closest to a street or public highway, so that such said poster or sign shall be visible to the general public at all times.

This permit conveys no right to occupy any street, alley or sidewalk, or any part thereof, either temporary or permanently except that specifically provided for in the building code. Depth and location of public sewers, street and alley grades may be obtained from the City Engineer's Office. The issuance of this permit does not release the applicant from the conditions of any applicable sub-division restrictions.

Approved plans MUST be retained on job and this card KEPT POSTED until final inspection has been made. Such building SHALL NOT BE OCCUPIED UNTIL A FINAL INSPECTION HAS BEEN MADE AND CERTIFICATE OF OCCUPANCY HAS BEEN ISSUED.

SEPARATE PERMITS REQUIRED FOR PLUMBING, GAS, ELECTRICAL & HVAC INSTALLATIONS

MINIMUM OF FOUR CALL INSPECTIONS REQUIRED FOR ALL CONSTRUCTION WORK.

Building Inspection Approvals

- 1. Footing (prior to pour)
- 2. Foundation (prior to floor sheathing)
- 3. Framing (prior to insulating) **
- 4. Insulation (prior to covering structural members)
- 5. Final (prior to occupancy)

** Electrical, Plumbing and Mechanical inspections required

WORK SHALL NOT PROCEED UNTIL EACH REQUIRED INSPECTION HAS BEEN APPROVED BY THE BUILDING INSPECTOR

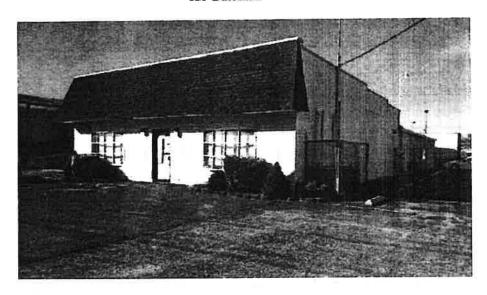
The City of Salisbury Salisbury, Maryland

Building Official

UNLAWFUL TO REMOVE OR DEFACE THIS CARD UNTIL CONSTRUCTION IS COMPLETE

APPRAISAL REPORT

Of 123 Bateman Street



123 Bateman Street, Salisbury Wicomico County, MD 21804

> As of October 9, 2016

Prepared For Salisbury University 1101 Camden Avenue Salisbury, MD 21801

RECONCILIATION AND FINAL OPINION OF VALUE

The value opinions by each approach, are as follows:

COST APPROACH

Not Analyzed

SALES COMPARISON APPROACH

\$250,000

INCOME APPROACH

Not Analyzed

As a result of the valuation procedure and analysis, it is the opinion of the appraisers that the *current as is fee simple value for the subject property, as of September 16, 2016*, is:

TWO HUNDRED FIFTY THOUSAND DOLLARS

\$250,000



City of Salisbury, Maryland Department of Infrastructure & Development 125 N. Division St., Room 202 Salisbury, MD 21801

(410)548-3130

Fax (410)548-3107

Member: **ICC NFPA MBOA**

www.salisbury.md

BUILDING PERMIT

Application Number

201900013

Property Address

123 BATEMAN ST

Land Key

13033684

Application Description

BUILDING PERMIT

Tenant Name

N/A

Property Use

HOUSING/OFFICE

Property Zoning

GENERAL COMMERCIAL

Owner

Contractor

BATEMAN STREET PARTNERSHIP LLC

JDC CONSTRUCTION MANAGEMENT, LLC

PO BOX 8

1121 S. DIVISION STREET

56228

STE-A 53784

Structure Information

Construction Type

VΒ

Occupancy Type

R-2/B

Permit Type

BUILDING PERMIT

Permit Fee

4600.00

Plan Check Fee

30.00

Issue Date

03/18/2019

Valuation

450000

Expiration Date

09/14/2019

Note: Please provide 24 hours' notice when calling to schedule inspections.

















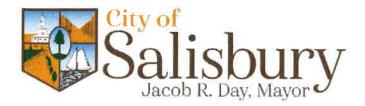




Real Property Data Search

Search Result for WICOMICO COUNTY

| View Map | View GroundRent Redemption View | | View GroundRe | v GroundRent Registration | |
|---|---------------------------------|--|----------------------|------------------------------------|--|
| Special Tax Recaptu | ıre: None | | | | |
| Account Identifier: | District - 13 Acco | ount Number - 033684 | | | |
| | | Owner Information | | | |
| Owner Name: | BATEMAN STREE | ET PARTNERSHIP LLC | Use: | COMMERCIAL | |
| Melling Address. | | ************************************** | Principal Residence: | NO | |
| Mailing Address: | C/O ROBERT E K PO BOX 8 | AMBAKN | Deed Reference: | /04454/ 00236 | |
| | ALLEN MD 21810 | | | | |
| | | cation & Structure Informat | ion | | |
| Premises Address: 123 BATEMAN ST 0-0000 | | Legal Description: | L-6 22,738SQ FT | | |
| | 0-0000 | | | 123 BATEMAN ST ROBT KAMBARN SUB | |
| Map: Grid: Parce | l: Neighborhood: Subdivis | ion: Section: Block: | Lot: Assessment Year | | |
| 0115 0021 3114 | 10001.23 0000 | ion. Section. Block. | 6 2019 | Plat Ref: 0011/ 0214 | |
| | 10001.20 | | 0 2019 | Plat Ref: 0011/0214 | |
| Town: SALISBURY | | | | | |
| | | | | | |
| Primary Structure Bo | • | rea Finished Baseme | | nd Area County Use | |
| 1950 | 4,400 SF | | 22,738 SF | | |
| Stories Basement | Type Exterior | Quality Full/Half Bath | n Garage Last Notice | of Major Improvements | |
| | OFFICE BUILDING / | C2 | , | or major improvements | |
| | | Value Information | | | |
| Base Value Value | | Value | Phase-in Assessments | | |
| | | As of | As of | As of | |
| | | 01/01/2019 | 07/01/2019 | 07/01/2020 | |
| Land: | 142,700 | 142,700 | | | |
| Improvements Total: | 116,400 | 96,700 | 202.422 | | |
| Preferential Land: | 259,100 0 | 239,400 | 239,400 | 239,400 | |
| Tiererential Lang. | 0 | Transfer Information | | 0 | |
| O-U DATEMAN OT | DEET BARTHERSHIP I I S | | | | |
| Seller: BATEMAN STREET PARTNERSHIP LLC Date: 04/08/2019 | | | Price: \$0 | | |
| Type: NON-ARMS LE | NGTH OTHER | Deed1: /04454/ 00236 | Dee | d2: | |
| Seller: KAMBARN ROBERT E & BARBARA R | | Date: 10/17/2018 | Price: \$0 | | |
| Type: NON-ARMS LENGTH OTHER | | Deed1: /04389/ 00399 | Dee | d2: | |
| Seller: SHORELAND, | INC | Date: 03/09/1984 | D.J. | #7E 000 | |
| Type: ARMS LENGTH | | | | e: \$75,000 | |
| Type. ARIVIS LENGTE | 1 IMPROVED | Deed1: /01007/ 00149 | Dee | d2: | |
| Partial Exempt Assess | sments: Class | Exemption Information | 07/04/0040 | 07/04/0000 | |
| County: | onents: Class | | 07/01/2019 0.00 | 07/01/2020 | |
| State: | 000 | | 0.00 | | |
| funicipal: | 000 | | 0.00 0.00 | 0.00 0.00 | |
| Special Tax Recaptur | | | 0.00 0.00 | 0.00 0.00 | |
| | | estead Application Informa | lion | | |
| lomestead Applicatio | n Status: No Application | | | | |
| | Homeowne | rs' Tax Credit Application In | าโดเเพลมีอก | | |
| | dit Application Status: No App | | Date: | | |



To:

Julia Glanz, City Administrator

From:

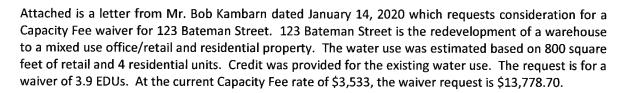
Amanda Pollack, P.E., Director of Infrastructure and Development

Date:

January 23, 2020

Re:

Resolution – 123 Bateman Street Capacity Fee Waiver



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, 248.64 EDUs of the original allocation of 300 EDUs have been used, therefore there are 51.36 EDUs available. If this request is approved, there will be 47.46 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 General Commercial Zoning District, which is not included in the EDU Incentive Area. However the project is in an Enterprise Zone and is redevelopment of an existing building, so it is eligible for consideration of the waiver. The project 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 123 Bateman 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.