



**SALISBURY CITY COUNCIL
WORK SESSION AGENDA**

**NOVEMBER 16, 2020
ZOOM MEETING**

- 4:30 p.m. Ordinance accepting a grant from the Wicomico County Health Department for two commercial floor cleaners- Deputy Chief James Gladwell
- 4:35 p.m. The Ross Developers Agreement- Department of Infrastructure & Development Director Amanda Pollack
- 4:45 p.m. Homeownership Incentive discussion- Deputy City Administrator Andy Kitzrow, Habitat for Humanity of Wicomico County Executive Director Molly Hilligoss and Salisbury Neighborhood Housing Service Executive Director Cheryl Meadows
- 5:25 p.m. HORIZON Program- Deputy City Administrator Andy Kitzrow
- 5:45 p.m. Council Remarks
- 5:50 p.m. Adjournment

*Times shown are approximate. Council reserves the right to adjust the agenda as circumstances warrant.
The Council reserves the right to convene in Closed Session as permitted under the Annotated Code of Maryland 3-305(b).*

Join Zoom Meeting
<https://us02web.zoom.us/j/5362772908>
Meeting ID: 536 277 2908
+13017158592,,5362772908# US (Germantown)
+13126266799,,5362772908# US (Chicago)
19292056099,,5362772908# US (New York)



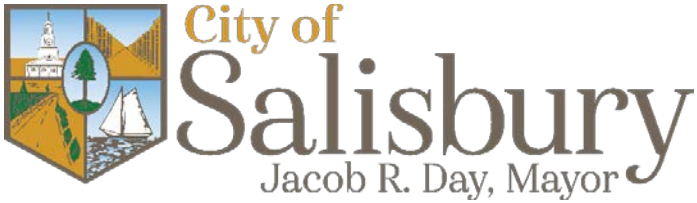
MEMORANDUM

To: Julia Glanz, City Administrator
From: James Gladwell, Deputy Fire Chief
Subject: Budget Amendment – Funding for Floor Scrubbers
Date: 12 November 2020

As you are aware, the Wicomico County Health Department (WiCHD) received a direct allocation of funds through the Federal Coronavirus Relief Fund (CRF) to help support Emergency medical response expenses related to COVID-19. As a result of this available funding, the Fire Department submitted a request for funding to purchase two (2) commercial floor scrubbers and associated battery supplies for Stations One and Two. Station 16 currently utilizes this technology to scrub its floor and it is not practical to attempt to move the machine from station-to-station based on the size and weight of the apparatus. These scrubbers will help reduce the spread of COVID-19 through the use of chemical extraction of our buildings' floors as opposed to the utilization of mops and buckets, which do not truly sanitize. The total cost of the project is \$14,590.00 and it has been approved by the WiCHD.

Attached you will find an Ordinance requesting the approval of a budget amendment to the FY2021 grant fund for the purpose of accepting funds from the Wicomico County Health Department.

If you should have any questions or comments, please do not hesitate to contact me.



James Gladwell
Salisbury Fire Department
325 Cypress Street
Salisbury, MD 21801

22 October 2020

Brandy Wink
Wicomico County Health Department
Salisbury, MD 21804

Dear Brandy,

The Salisbury Fire Department is seeking funding for two (2) 26" self-propelled, walk-behind floor scrubbers to help sanitize the floors at Stations 1 and 2. The proposed walk-behind floor scrubbers are designed to clean large floor areas in a single pass by dispersing a mixture of water and sanitizing chemical solutions, scrub the floor with bristle brushes, and then lift and remove the residue from the floor and direct the residue into recovery tanks that can then be discarded without the user ever having to touch the residue. Currently, our members utilize mops and mop buckets to clean the floors of those stations. This has been proven to be unsanitary and essentially moves dirt from one place to another.

The Salisbury Fire Department is on the front line of the COVID pandemic and has had the unfortunate privilege of carrying nearly 800 individuals suspected of being COVID-positive to date. The Department has also had over a dozen of its members contract the virus as a result. We have contracted local cleaning professionals who have disinfected our facilities on at least four (4) different occasions and we continue to seek methods that can be used in-house to reduce the possibility of spread throughout the Department's membership and subsequently, to its family's members. We believe the proposed floor scrubbers will help in this endeavor and respectfully request approval for funding of the two (2) units. Due to the size and weight of each unit, it is not practical to attempt to move the units from one facility to another. Our Station 16 facility already has a larger unit, as that complex is vastly larger than Station 1 or 2.

Please see the attached quotes I have obtained from several vendors. If this request can be approved, I would recommend utilizing the unit(s) offered by Caliber Equipment, Inc. located in Mechanicsville, VA. The proposed Viper Fang 26T should suit the needs of Stations 1 and 2 nicely. The unit is self-propelled, has an excellent pad pressure which will help in providing a solid, deep cleansing of our floors, has the best warranty in the industry (5-year parts, 2-year service), comes with an extra set of squeegee blades, provides an ample amount of run time (unit is battery operated and can be recharged at the station) and includes delivery to each station.

Salisbury Fire Department
Headquarters
325 Cypress St. Salisbury, Maryland 21801
410-548-3120
www.salisburyfd.com



I would also recommend purchasing a set of optional AGM maintenance-free batteries for each unit. The total cost for this project is as follows:

2 ea. Viper Fang 25T commercial floor cleaners @ \$6,995.00 ea. (Delivered) = \$13,990.00

2 ea. AGM maintenance-free sets of batteries @ \$300.00 ea. = \$ 600.00

Total \$14,590.00

Our first responders are beginning to see the expected fall resurgence in COVID transports and the county's positivity rate has now exceeded 5%. These are significant issues that we take very seriously and are trying to address. Our budget does not reflect the additional stressors placed on it by the COVID pandemic and through your support, I believe the acquisition of these two pieces of equipment may significantly help curtail the spread of COVID amongst our rank and file as well as help prevent subsequent spread to our members' families.

Your consideration is greatly appreciated. Should you have any questions regarding this request, please feel free to contact me at your convenience.

Yours in Service,

Jim Gladwell
Deputy Fire Chief
Salisbury Fire Department
410.548.3120 (Office)
443.614.2599 (Cell)
jgladwell@salisbury.md



October 20, 2020

8433 Erle Road
Mechanicsville VA 23116

Jim Gladwell
Salisbury Maryland Fire Department
325 Cypress Street
Salisbury, MD 21801

Dear Jim:

Caliber Equipment Inc., distributor of commercial sweepers and scrubbers, submits the following proposal for your consideration

The **Viper Fang 26T** with its 215 AMP Hour Batteries gives the user 4.5 - 5 hours of cleaning performance. Unit has large 17-gallon tanks and pad pressure of up to 150LBS. Scrubber has traction drive motor and comes with charger, pad driver, and an **extra set of squeegee blades**.

Features:

- Easy-to-use, fingertip controls
- Forward and reverse drive
- All operational functions are within easy reach
- Parabolic squeegee for easy and complete solution pick-up
- Transaxle drive
- Heavy-duty, cast aluminum squeegee assembly
- Pad pressure up to 150 lbs.
- Engineered to withstand heavy, daily use in a variety of commercial applications
- Best value in the industry
- Shelf Charger, pad driver, and squeegee assembly included
- High cleaning productivity rate
- Extra set of squeegee blades included and stored on-board**
- Backed by Factory Warranty

NEW Viper Fang 26T: 26", Disc, 17-gallon, traction-drive, **(2) white or red pads**, 32" squeegee assembly, 18-amp shelf charger, **215 ah wet cell batteries**.

Your special price: \$6,995.00 Delivered

Optional: AGM Maintenance Free Batteries: Add \$300.00

Viper is part of the Nilfisk family, that includes Clarke and Advance.

New Floor Scrubbers and Sweepers * Used and Refurbished Equipment
Distributor of Clarke, Nilfisk Advance, and IPC Eagle
Long and Short Term Rentals * OEM replacement Parts
Comprehensive Maintenance Service * Cleaning Chemicals.



Page 2 of 2

8433 Erle Road
Mechanicsville VA 23116

**Warranty: Five years parts and two years labor – eight years roto-molded body
Batteries 90 days full coverage, prorated for 18 months**

Payment Terms: Prepaid or Credit Card
F.O.B. Delivered
Delivery: Allow Approx.. 1-2 weeks
No MD State Tax: Exempt

For Caliber Equipment Inc.;
Bill Tobias
Sales Consultant
804-396-5152 cell
888-550-0945 Office
bill@caliberequipment.com
www.caliberequipment.com



**New Floor Scrubbers and Sweepers * Used and Refurbished Equipment
Distributor of Clarke, Nilfisk Advance, and IPC Eagle
Long and Short Term Rentals * OEM replacement Parts
Comprehensive Maintenance Service * Cleaning Chemicals.**

Factory Cat Mini-HD Walkbehind Scrubber Quotation

Date: 10-23-2020
 Quote #: 413476-41996-5-FCL
 Valid for: 30 Days
 Customer: Salisbury Fire Department
 Address:
 City/St/Zip: Salisbury, MD 21801
 Contact: Jim Gladwell
 Title: Deputy Fire Chief
 Phone: 443-614-2599
 Lead Time: 2 Weeks
 E-Mail: jgladwell@salisbury.md



*Photo may not be an exact representation of quoted machine.

STANDARD FEATURES

*Standard features are for base models with no options chosen.

(2x) 3/4 HP - 350 rpm Brush Motor
 21 gal. Solution / 23 gal. Recovery
 210ah Battery - 24V / 25A Charger
 26" Cleaning Path 2 - 13" Brush/Pad
 640 watt 3-stage vacuum motor
 Front 10" x 2.5" Solid Black Wheels

WARRANTY

36 months Parts/ 12 months Labor

INSTALLED BY

Authorized Service Provider

PAYMENT TERMS

Payment On Delivery

ITEM	PART #	DESCRIPTION	PRICE EACH	QTY	EXTENDED PRICE
Machine	175-26FD	MINI-HD 26" Disk	-	1	-
	175-13-382PS	Set of 2 - 13" Light-Grit Brushes	-	1	-
	175-004100	Single Point Watering System - Hand Pump	-	1	-
	175-002850	Switch, E-Stop	-	1	-
Discount		5.00% Special Customer Allowance	-	1	-
Subtotal:					-
Freight Charge					-
Total (in United States Dollar) *may be subject to additional sales tax:					\$ 8,894.85

Quotation Submitted By:
 RT Yancey - Field Sales Manager
 ryancey@easternlifttruck.com
 Office: (856) 779-8880 / Mobile: (240) 459-4396
 Eastern Lift Truck 549 E. Linwood Avenue
 Maple Shade, NJ 08052

CUSTOMER SIGNATURE HERE

IMPORTANT: A faxed or emailed Purchase Order Document is required to process the order



Departments

Account

Cart

0

Search

WebstaurentStore > Janitorial Supplies > Janitorial Equipment > Floor Scrubbers, Auto Scrubbers and Accessories
> Floor Scrubbers and Auto Scrubbers > Minuteman E26 E-Series 26" Walk Behind Battery Operated Compact Disc
Brush Scrubber

Minuteman E26 E-Series 26" Walk Behind Battery Operated Compact Disc Brush Scrubber

Item #: 585E26QP MFR #: E26QP



Free Shipping ?

\$9,969.18/Each

Minuteman E26QP Details

When keeping your establishment clean and welcoming, you should start from the ground up. There's no better way of doing that than with the Minuteman E26 E-Series 26" walk behind battery operated compact disc brush scrubber! Whether you're cleaning a healthcare facility, airport, or retail establishment, this unit has the power to get the job done with its 3/4 hp motor with 180 RPM brush head. With the finesse and comfort provided by the brush driven propelling, compact design of the machine, adjustable handle, and ergonomic hand bails, this unit has the ease of use necessary for operators to do large areas with minimal fatigue.

A sleekly designed profile provides excellent line of sight to be able to see the area to be cleaned. This, paired with the large 19 gallon solution tank and 19 1/2 gallon recovery tank, gives this machine the potential to do up to 26,000 sq. ft. per hour. Brush loading and unloading is also made easy for the operator with the simple flip of a switch, and no manual removal. Plus, the squeegee never requires any adjustment by the operator. An intuitive control system is simple to understand and requires minimal training prior to operation. The brush deck is built low to the ground, making it ideal for cleaning around and underneath furniture and fixtures.

A convenient on-board charger allows the battery to be charged anywhere there is an electrical source. This means that when cleaning a large area and the battery dies, there is no need to push the machine all the way to a charging dock, as any electrical outlet will do. For safety, when the on-board charger is plugged in, the machine is not capable of being turned on, so there is no potential for accidentally operating the unit while it is still plugged into an outlet. When it comes time to clean the unit, the hygienic recovery tank is easy to clean, and the brush as well as squeegee is removable without the use of tools.

This Item Ships via Common Carrier. For more information and tips to help your delivery go smoothly, [click here](#).

MEMORANDUM OF UNDERSTANDING

FISCAL YEAR 2021

WICOMICO COUNTY HEALTH DEPARTMENT (WiCHD) and SALISBURY FIRE COMPANY

I. BACKGROUND

The Wicomico County Health Department (WiCHD) received Federal Coronavirus Relief Funds (CRF) to help support Emergency medical response expenses, including emergency medical transportation, related to COVID-19.

II. AGREEMENT

The following agreement entered into this 4th day of November 2020, by and between the Wicomico County Health Department (WiCHD) and the Salisbury Fire Company:

A Salisbury Fire Company has submitted quotes to WiCHD and agrees to purchase the following equipment to help serve the citizens in Wicomico County and to keep all staff/volunteers safe during the Pandemic:

1. (2) Commercial Floor Cleaners and battery supplies \$14,590.00

B. WiCHD agrees to

1. Pay Salisbury Fire Department \$14,590.00 to purchase the above equipment, once we receive a detailed invoice.

II. TERMINATION

This agreement will terminate on December 31, 2020.

This memorandum is subject to the policies of the Maryland Department of Health as incorporated in the Human Services Agreement Manual.

II. SIGNATURES

The parties acknowledge their agreement by their signatures below:



John W. Tull, Fire Chief
Salisbury Fire Department

11-5-2020

Date



Lori Brewster, M.S., APRN/BC, LCADC
Health Officer, Wicomico County Health Department

11-4-2020

Date

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SALISBURY TO AUTHORIZE THE MAYOR TO ENTER INTO A CONTRACT WITH THE WICOMICO COUNTY HEALTH DEPARTMENT FOR THE PURPOSE OF ACCEPTING GRANT FUNDS IN THE AMOUNT OF \$14,590.00, AND TO APPROVE A BUDGET AMENDMENT TO THE FY 2021 GRANT FUND TO APPROPRIATE THESE FUNDS FOR THE PURCHASE OF TWO (2) COMMERCIAL FLOOR CLEANERS (WALK-BEHIND STYLE) AND BATTERY SUPPLIES.

WHEREAS, the Wicomico County Health Department (WiCHD) received a direct allocation of funds through the Federal Coronavirus Relief Funds (CRF); and

WHEREAS, the purpose of the CRF is to help support Emergency medical response expenses, including emergency medical transportation, related to COVID-19; and

WHEREAS, the City of Salisbury Fire Department submitted a grant request to the WiCHD for funding to assist with the purchase of a Commercial Floor Cleaner (walk-behind style) and Battery Supply for two (2) of its fire stations; and

WHEREAS, the WiCHD has awarded the City funds in the amount of \$14,590.00; and

WHEREAS, the City of Salisbury must enter into a Memorandum of Understanding (MOU) with the WiCHD defining how these funds must be expended; and

WHEREAS, § 7-29 of the Salisbury City Charter prohibits the City from entering into a contract that requires an expenditure not appropriated or authorized by the City Council; and

WHEREAS, appropriations necessary to execute the purpose of this grant must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, THAT Mayor Jacob R. Day is hereby authorized to enter into a Memorandum of Understanding (MOU) with the Wicomico County Health Department (WiCHD) to accept grant funds in the amount of \$14,590.00.

BE IT FURTHER ORDAINED that the City's Fiscal Year 2021 Grant Fund Budget be and hereby is amended as follows:

- 1) Increase Wicomico County Health Department Revenue account (10500-427901-XXXXX) by \$14,590.00
- 2) Increase SFD Equipment Expense account (10500-577030-XXXXX) by \$14,590.00

BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this _____ day of _____, 2020, and thereafter, a statement of

the substance of the Ordinance having been published as required by law, was finally passed by the Council on the _____ day of _____, 2020.

ATTEST:

Kimberly R. Nichols
City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS _____ day of _____, 2020.

Julia Glanz, City Administrator
for and at the direction of
Jacob R. Day, Mayor



City of
Salisbury
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator
From: Amanda Pollack, P.E., Director of Infrastructure and Development
Date: November 3, 2020
Re: The Ross Developers Agreement

AP

First Move Properties, LLC, the developer of 130/132/144 East Main Street, is seeking modifications to the Developer's Agreement for The Ross Development. The Developer's Agreement was approved via Resolution No. 2990 on January 13, 2020. The Resolution authorized the Mayor to negotiate and sign an agreement that is substantially similar to the one presented at that time. The Resolution and draft agreement from January is attached for reference.

The changes requested by First Move Properties include:

1. Defining First Move as the owners of the properties.
2. Increasing the number of parking permits from 256 to 278.
3. Increasing the length of the term of the agreement.
4. Increasing the length of the renewal term of the agreement.
5. Defining that the price for each parking permit shall be the established Student Rate charged by the City for that fiscal year.
6. Adding a clause for the cancellation of the agreement.
7. Modifying the effective dates of the agreement.

The City has added language that states that permits for anyone other than students shall be charged at the applicable City rate. Additionally, the Developer shall maintain a list of all students receiving parking permits that reside in the building, The list is subject to audit by the City.

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

AS AMENDED ON JANUARY 13, 2020
RESOLUTION NO. 2990

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH FIRST MOVE PROPERTIES, LLC FOR THE PURCHASE OF PARKING PERMITS IN THE DOWNTOWN PARKING GARAGE, ~~TO GRANT A TEMPORARY CONSTRUCTION EASEMENT AND PERPETUAL MAINTENANCE EASEMENT, AND TO GRANT A DEED OF EASEMENT TO FIRST MOVE PROPERTIES, LLC.~~

WHEREAS, First Move Properties, LLC intends to improve properties it owns located at 130 East Main Street, 132 East Main Street and 144 East Main Street in the Central Business District; and

WHEREAS, the attached Developer's Agreement details the agreement between the City of Salisbury and First Move Properties regarding parking spaces in the garage; ~~and~~

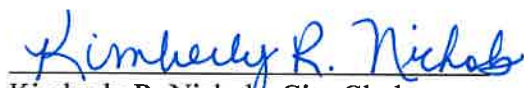
~~WHEREAS, First Move Properties, LLC requires easements across real property owned by the City of Salisbury in order to improve the properties identified as 130 E. Main Street and 132 E. Main Street, City of Salisbury, to create a walkway from the property to the City of Salisbury parking garage; and~~

~~WHEREAS, the attached Deed of Easement and the attached Temporary Construction Easement and Perpetual Maintenance Easement detail the aforementioned easement areas and agreement between the City of Salisbury and First Move Properties, LLC.~~

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, that the Mayor is authorized to negotiate, sign and enter into an agreement ~~and easements~~ with First Move Properties, LLC that ~~are~~ is substantially similar to the attached Developer's Agreement, ~~Temporary Construction and Perpetual Maintenance Easement and Deed of Easement~~, with such other terms and conditions as may be required by the City Solicitor.

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

ATTEST:


Kimberly R. Nichols, City Clerk


John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS:

21ST day of JAN, 2020


Jacob R. Day, Mayor

DEVELOPER'S AGREEMENT

THIS DEVELOPER'S AGREEMENT ("Agreement"), is dated this 21ST day of January 2020, by and between the *City of Salisbury, Maryland*, a municipal corporation of the State of Maryland (the "**City**"), and *First Move Properties, LLC*, a Maryland limited liability company ("**First Move**") (the City and First Move are hereinafter referred to collectively as the "**Parties**").

Recitals

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as "61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY", consisting of 61,979 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 881**");

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as "L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY", consisting of 18,151 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 880**") (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the "**City Property**");

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/- square feet of floor space, used and maintained by the City as a parking garage (the "**Downtown Parking Garage**") for the purpose of providing parking to the general public at a fee, subject to applicable local law and regulations;

WHEREAS, the Downtown Parking Garage contains a total of Seven Hundred Three (703) parking spots;

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as "L-40X110 132-134 E MAIN ST CITY OF SALISBURY"; being in all respects the same property conveyed by George H. White and Deborah W. Poole unto First Move, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (said real property is hereinafter referred to as "**132 E. Main**");

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, and being described as "3,300 SQFT 130A-130 E. MAIN ST CITY OF SALISBURY", and further being in all respects the same property conveyed by Livingston Holdings, LLC unto First Move, by Deed dated February 6, 2019 and recorded among the Land Records of Wicomico County, Maryland in Liber 4430, folio 483 (said real property is hereinafter referred to as "**130 E. Main**") (132 E. Main and 130 E. Main are hereinafter referred to collectively as the "**E. Main Properties**");

WHEREAS, pursuant to the terms and conditions set forth in that certain Commercial Sales Contract, dated September 20, 2019 (the "**Contract of Sale**"), by and between First Move and Salisbury Area Chamber of Commerce, Inc. ("**SACC**"), First Move has agreed to purchase from SACC all that certain real property having a premises address of 144 E. Main Street, Salisbury, Maryland 21801, more particularly identified by the Maryland Department of Assessment and Taxation Records as Map 0107, Parcel 0858 (Maryland Tax ID# 05-022673) (said real property is hereinafter referred to as "**144 E. Main**"), and all that certain real property having a premises address of 119 E. Market Street, Salisbury,

Maryland 21801, more particularly identified by the Maryland Department of Assessment and Taxation Records as Map 0107, Parcel 0878 (Maryland Tax ID# 05-022703) (said real property is hereinafter referred to as "**119 E. Market**") (144 E. Main and 119 E. Market are hereinafter referred to collectively as the "**Chamber Property**");

WHEREAS, First Move plans to redevelop the E. Main Properties by constructing a twelve-story, approximately one hundred sixty-five feet (165' +/-) tall, structure thereon, which, when completed, will consist of commercial retail spaces on the first floor, fifty-nine (59) luxury-style apartments on the second through eleventh floors, and an event space on the twelfth floor (the said twelve-story structure First Move plans to construct at the E. Main Properties is hereinafter referred to as the "**Ross Building**");

WHEREAS, upon its purchase of the Chamber Property, First Move plans to redevelop the Chamber Property by constructing a five-story structure thereon, which, when complete, will consist of twenty-five (25), four-person luxury-style apartments (the "**Chamber Building**") (the Ross Building and the Chamber Building are hereinafter referred to collectively as the "**FMP Project**");

WHEREAS, the fifty-nine (59) residential apartments within the Ross Building are designed to provide housing for a maximum of one hundred fifty-six (156) tenants, and, the twenty-five (25) residential apartments within the Chamber Building are designed to provide housing for a maximum of one hundred (100) tenants, thus, when complete, the FMP Project is intended to provide luxury-style apartment housing for a maximum of two hundred fifty-six residential tenants (residential tenants of the FMP Project are hereinafter referred to individually as a "**FMP Tenant**" and collectively as the "**FMP Tenants**");

WHEREAS, the Parties acknowledge and agree the FMP Project will have a material impact on the revitalization of Downtown Salisbury by: (i) significantly increasing the housing inventory available within Downtown Salisbury; and, (ii) directly linking Salisbury University students to the Downtown Salisbury area;

WHEREAS, the Parties further acknowledge and agree that the long-term viability of the FMP Project is contingent upon adequate public parking for the FMP Tenants;

WHEREAS, in order to provide adequate public parking for the FMP Tenants, First Move desires to ensure its ability to purchase up to two hundred fifty-six (256) parking permits for parking within the Downtown Parking Garage for the use of FMP Tenants;

WHEREAS, the Parties acknowledge that, as of the date and year first above written, the Downtown Parking Garage is not used to its full capacity and that two hundred fifty-six (256) parking spots are normally available for use by potential FMP Tenants;

WHEREAS, in consideration of the foregoing, the City agrees, on an annual basis, to make available up to two hundred fifty-six (256) parking permits authorizing the FMP Tenants to park within the Downtown Parking Garage, which said municipal parking permits shall be purchased annually by First Move from the City, on behalf of the FMP Tenants, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

1. **Term.** The term of this Agreement shall commence on the date and year first above written and shall continue for a term of three years (the "**Initial Term**").

a. The term of this Agreement shall automatically renew for successive terms of one (1) year (each such additional term of one (1) year is hereinafter referred to as a "**Renewal Term**"), unless either party provides written notice, at least ninety (90) days prior to the end of the Initial Term or any Renewal Term, as the case may be, specifying the party's election to

terminate this Agreement at the end of the Initial Term or such applicable Renewal Term (as used in this Agreement, the word “**Term**” shall be deemed to include, where appropriate, the Initial Term and all Renewal Terms (if any)).

b. In the absence of such written notice from either party, the Initial Term or such applicable Renewal Term, as the case may be, shall automatically renew for an additional one (1) year term as aforesaid upon the same terms and conditions set forth herein.

c. The City retains the right to suspend this Agreement without notice in the event of an emergency (including but not limited to damage to the Downtown Parking Garage which prohibits the safe use of the structure), or upon written notice following a determination by the City that the Downtown Parking Garage is in need of renovation or maintenance or that replacement of the garage is necessary. In the event of suspension of this Agreement, the Grantor will offer alternative parking permits to Grantee in other City locations to be determined by the Grantor.

2. **Parking Spaces.** Beginning with the execution of this Agreement and continuing for the duration of the Term, the City shall issue up to two hundred fifty-six (256) parking permits to First Move, authorizing the holders thereof to use appropriate and available parking spaces in the Downtown Parking Garage for public parking, by tenants of First Move in accordance with the provisions of Sections 3 and 5. (Any and all municipal parking permits purchased by First Move for use by its Tenants as contemplated by this Agreement are hereinafter referred to as the “**Parking Garage Permits**”).

3. **Purchase of the Parking Garage Permits.** Beginning with the execution of this Agreement, and on or before September 1st of each Fiscal Year thereafter during the Term, First Move shall purchase the number of Parking Garage Permits that First Move deems necessary and appropriate, in its discretion, for the operation and management of the FMP Project, including the provision of adequate public parking for the FMP Tenants residing at the FMP Project from time to time (for purposes of this Agreement the term “**Fiscal Year**” shall mean the period of July 1 – June 30). First Move expressly acknowledges and agrees that the City shall have no obligation whatsoever to reserve more than two hundred fifty-six (256) Parking Garage Permits for purchase by First Move.

4. **Purchase Price of Parking Garage Permits.** The purchase price for each Parking Garage Permit reserved for purchase by First Move shall be in that amount determined annually by the City in connection with the municipal budget adopted by the City Council and approved by the Mayor .

5. The City does not guarantee the availability of parking spaces in the Downtown Parking Garage for any permit holder. The permits issued are a license to park in any appropriate and available parking space. The issuance of the permit does not entitle the holder to a reserved space or the right to park at all times. All spaces are available on a first come first served basis.

6. **Miscellaneous.**

(a) **Authority.** Each party represents and warrants to the other party that: (i) it has the full right, power and authority to execute this Agreement; (ii) the execution and delivery of this Agreement and the performance of its obligations hereunder are not prohibited by or in breach of, and the provisions hereof do not conflict with, any other agreement, mortgage, contract or other instrument or document to which it is a party or by which it is otherwise bound; and, (iii) there are no legal requirements imposed upon it which prohibit or limit the execution and delivery of this Agreement and the performance of its obligations hereunder.

(b) **Entire Agreement.** This Agreement, and all exhibits attached hereto, constitute the entire agreement and understanding of the Parties with respect to the matters set forth herein, and all

prior negotiations, writings and understandings relating to the subject matter of this Agreement are merged herein and are superseded and canceled by this Agreement.

(c) **Waiver - Amendments.** Any of the terms or conditions of this Agreement may be waived but only in writing by the party which is entitled to the benefit thereof, and this Agreement may be amended or modified in whole or in part only by an agreement in writing executed by all of the Parties.

(d) **Binding Nature of Agreement.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, personal representatives, successors and permitted assigns. First Move may assign this Agreement and all its rights hereunder to any successor(s)-in-interest of First Move with respect to its ownership of, or any of its rights in and to, the FMP Project or any part or portion thereof.

(e) **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect or otherwise limit the validity and enforceability of the other provisions hereof.

(f) **Construction.** This Agreement and all of the terms and conditions set forth herein shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's agent or attorney drafted all or any part of this Agreement. Section headings are for convenience of reference only and shall not limit or otherwise affect any of the provisions of this Agreement. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural.

(g) **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland, without regard to its conflict of laws principles. The Parties hereto acting for themselves and for their respective successors and assigns, without regard to domicile, citizenship or residence, hereby expressly and irrevocably consent to and subject themselves to the jurisdiction of the Maryland courts and to venue in Wicomico County, Maryland with respect to any matter arising under, from or in connection with this Agreement.

(h) **Waiver of Jury Trial.** The Parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counter-claim brought by a party hereto against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of the Parties to one another, and/or any claim, injury or damage arising from or consequent upon this Agreement.

(i) **Recitals.** The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Agreement.

(j) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7. **Non-Appropriation.**

In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year, any funding required by the City in this Agreement shall terminate on the last day for which appropriations were received by the City, without penalty or expense to the City.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Developer's Agreement as of the day and year first above written.

WITNESS/ATTEST:

THE CITY:

Kimberly R. Nichol

City of Salisbury, Maryland

By: Jacob R. Day (SEAL)
Jacob R. Day, Mayor

FIRST MOVE:

First Move Properties, LLC

By: _____ (SEAL)
Nicholas R. Simpson, Managing Member

DEVELOPER'S AGREEMENT

THIS DEVELOPER'S AGREEMENT ("Agreement"), is dated this ____ day of _____ 2020, by and between the *City of Salisbury, Maryland*, a municipal corporation of the State of Maryland (the "**City**"), and *First Move Properties, LLC*, a Maryland limited liability company ("**First Move**") (the City and First Move are hereinafter referred to collectively as the "**Parties**").

Recitals

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as "61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY", consisting of 61,979 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 881**");

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as "L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY", consisting of 18,151 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 880**") (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the "**City Property**");

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/- square feet of floor space, used and maintained by the City as a parking garage (the "**Downtown Parking Garage**") for the purpose of providing parking to the general public at a fee, subject to applicable local law and regulations;

WHEREAS, the Downtown Parking Garage contains a total of Seven Hundred Three (703) parking spots;

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as "L-40X110 132-134 E MAIN ST CITY OF SALISBURY", being in all respects the same property conveyed by George H. White and Deborah W. Poole unto First Move, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (said real property is hereinafter referred to as "**132 E. Main**");

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, and being described as "3,300 SQFT 130A-130 E. MAIN ST CITY OF SALISBURY", and further being in all respects the same property conveyed by Livingston Holdings, LLC unto First Move, by Deed dated February 6, 2019 and recorded among the Land Records of Wicomico County, Maryland in Liber 4430, folio 483 (said real property is hereinafter referred to as "**130 E. Main**") (132 E. Main and 130 E. Main are hereinafter referred to collectively as the "**E. Main Properties**");

WHEREAS, First Move is the owner of all those certain lots and parcels of real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 858 and Map 0107, Grid 0015, Parcel 878, and being in all respects the same lots and parcels of real property conveyed by Salisbury Area Chamber of Commerce, Inc. unto First Move, by Deed dated January 21, 2020 and recorded among the Land Records of Wicomico County, Maryland in Liber 4589, folio 188 (said lots and parcel of real property is hereinafter referred to collectively as the "**Chamber Property**");

WHEREAS, First Move plans to redevelop the E. Main Properties by constructing a twelve-story, approximately one hundred sixty-five feet (165' +/-) tall, structure thereon, which, when completed, will consist of a leasing office on the first floor, fifty-three (53) luxury-style apartments on the second through twelfth floors and a commercial retail space on the roof-top (the said twelve-story structure First Move plans to construct at the E. Main Properties is hereinafter referred to as the “**Ross Building**”);

WHEREAS, First Move plans to redevelop the Chamber Property by constructing a six-story structure thereon, which, when complete, will consist of thirty-three (33), two and four-person luxury-style apartments (the “**Chamber Building**”) (the Ross Building and the Chamber Building are hereinafter referred to collectively as the “**FMP Project**”);

WHEREAS, the fifty-three (53) residential apartments within the Ross Building are designed to provide housing for a maximum of one hundred seventy (170) tenants, and, the thirty three (33) residential apartments within the Chamber Building are designed to provide housing for a maximum of one hundred thirty (130) tenants, thus, when complete, the FMP Project is intended to provide luxury-style apartment housing for a maximum of three hundred (300) residential tenants (residential tenants of the FMP Project are hereinafter referred to individually as a “**FMP Tenant**” and collectively as the “**FMP Tenants**”);

WHEREAS, the Parties acknowledge and agree the FMP Project will have a material impact on the revitalization of Downtown Salisbury by: (i) significantly increasing the housing inventory available within Downtown Salisbury; and, (ii) directly linking Salisbury University students to the Downtown Salisbury area;

WHEREAS, the Parties further acknowledge and agree that the long-term viability of the FMP Project is contingent upon adequate public parking for the FMP Tenants;

WHEREAS, in order to provide adequate public parking for the FMP Tenants, First Move desires to reserve and otherwise make available two hundred seventy-eight (278) parking permits for parking within the Downtown Parking Garage for the use of FMP Tenants;

WHEREAS, the Parties acknowledge that, as of the date and year first above written, the Downtown Parking Garage is not used to its full capacity and that no less than two hundred seventy-eight (278) parking spots are normally available for use by potential FMP Tenants;

WHEREAS, in consideration of the foregoing, the City agrees, on an annual basis, to reserve two hundred seventy-eight (278) parking permits authorizing the FMP Tenants to park within the Downtown Parking Garage, which said municipal parking permits shall be purchased annually by First Move from the City, on behalf of the FMP Tenants, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

1. Term. The term of this Agreement shall commence on July 1, 2022 and shall continue for a term of eight (8) years (i.e. July 1, 2022 – June 30, 2030) (the “**Initial Term**”).

(a) The term of this Agreement shall automatically renew for successive terms of four (4) years (each such additional term of four (4) years is hereinafter referred to as a “**Renewal Term**”), unless the City or First Move provides written notice to other party at least one hundred eighty (180) days prior to the end of the Initial Term or any Renewal Term, as the case may be, specifying the election to terminate this Agreement at the end of the Initial Term or such applicable Renewal Term. (As used in this Agreement, the word “**Term**” shall be deemed to include, where appropriate, the Initial Term and all Renewal Terms (if any).)

(b) In the absence of such written notice from the City or First Move, the Initial Term or such applicable Renewal Term, as the case may be, shall automatically renew for the Renewal Term as aforesaid upon the same terms and conditions set forth herein.

(c) The City retains the right to suspend this Agreement without notice in the event of an emergency (including but not limited to damage to the Downtown Parking Garage which prohibits the safe use of the structure), or upon written notice following a determination by the City that the Downtown Parking Garage is in need of renovation or maintenance or that replacement of the garage is necessary. In the event of suspension of this Agreement, the City will offer alternative parking permits to First Move in other City locations to be determined by the City.

2. **Parking Spaces.** Beginning on July 1, 2022 and continuing for the duration of the Term, the City shall reserve two hundred seventy-eight (278) parking permits, authorizing the holders thereof to use appropriate and available parking spaces in the Downtown Parking Garage for public parking, for purchase by First Move, on behalf of the FMP Tenants, in accordance with the provisions of Sections 3 and 5. (Any and all parking permits purchased by First Move for use by the FMP Tenants as contemplated by this Agreement are hereinafter referred to as the “**Parking Garage Permits**”).

3. **Purchase of the Parking Garage Permits.** Beginning on July 10, 2022, and on or before July 10th of each Fiscal Year thereafter during the Term, First Move shall purchase the number of Parking Garage Permits that First Move deems necessary and appropriate, in its discretion, for the operation and management of the FMP Project, including the provision of adequate public parking for the FMP Tenants residing at the FMP Project from time to time (for purposes of this Agreement the term “**Fiscal Year**” shall mean the period of July 1 – June 30). First Move expressly acknowledges and agrees that the City shall have no obligation whatsoever to reserve more than two hundred seventy-eight (278) Parking Garage Permits for purchase by First Move in any Fiscal Year during the Term of this Agreement. In the event First Move purchases less than two hundred seventy-eight (278) Parking Garage Permits for use in a Fiscal Year, First Move hereby expressly waives and releases the City from and against any and all claims First Move has or may have with respect to any Parking Garage Permits reserved for purchase hereunder which are not purchased by First Move for use during such Fiscal Year.

4. **Purchase Price of Parking Garage Permits.** The default purchase price for a Parking Garage Permit authorizing the holder thereof to park at the Downtown Parking Garage shall be the Student Rate charged by the City for the applicable Fiscal Year. Permits for anyone other than students shall be at the applicable City rate.

All student rate permits shall be distributed exclusively to residents of the Ross who are full-time students at Salisbury University, UMES (University of Maryland, Eastern Shore) or Wor-Wic Community College. Developer shall retain a list of all permits distributed and the identity of the recipient of each student permit. Developer will be responsible for collecting and keeping proof of each students’ eligibility, annually. The City has the right, but not the obligation, to audit the parking records at any time.

No student parking permits will be distributed to anyone, except as authorized herein, nor shall they be utilized by Developer, its employees or guests. Any improper use of a student permit will obligate the Developer to reimburse the City for the difference between the student rate and the highest rate applicable in the Downtown Parking Garage.

5. **No Guarantee of Parking Spots in Downtown Parking Garage.** The City does not guarantee the availability of parking spaces in the Downtown Parking Garage for any permit holder. The permits issued are a license to park in any appropriate and available parking space. The issuance of the permit does not entitle the holder to a reserved space or the right to park at all times. All spaces are available on a first come first served basis.

6. **Miscellaneous.**

(a) **Authority.** Each party represents and warrants to the other party that: (i) it has the full right, power and authority to execute this Agreement; (ii) the execution and delivery of this Agreement and the performance of its obligations hereunder are not prohibited by or in breach of, and the provisions hereof do not conflict with, any other agreement, mortgage, contract or other instrument or document to

which it is a party or by which it is otherwise bound; and, (iii) there are no legal requirements imposed upon it which prohibit or limit the execution and delivery of this Agreement and the performance of its obligations hereunder.

(b) **Entire Agreement.** This Agreement, and all exhibits attached hereto, constitute the entire agreement and understanding of the Parties with respect to the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Agreement are merged herein and are superseded and canceled by this Agreement.

(c) **Waiver - Amendments.** Any of the terms or conditions of this Agreement may be waived but only in writing by the party which is entitled to the benefit thereof, and this Agreement may be amended or modified in whole or in part only by an agreement in writing executed by all of the Parties.

(d) **Binding Nature of Agreement.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, personal representatives, successors and permitted assigns. First Move may assign this Agreement and all its rights hereunder to any successor(s)-in-interest of First Move with respect to its ownership of, or any of its rights in and to, the FMP Project or any part or portion thereof.

(e) **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect or otherwise limit the validity and enforceability of the other provisions hereof.

(f) **Construction.** This Agreement and all of the terms and conditions set forth herein shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's agent or attorney drafted all or any part of this Agreement. Section headings are for convenience of reference only and shall not limit or otherwise affect any of the provisions of this Agreement. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural.

(g) **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland, without regard to its conflict of laws principles. The Parties hereto acting for themselves and for their respective successors and assigns, without regard to domicile, citizenship or residence, hereby expressly and irrevocably consent to and subject themselves to the jurisdiction of the Maryland courts and to venue in Wicomico County, Maryland with respect to any matter arising under, from or in connection with this Agreement.

(h) **Waiver of Jury Trial.** The Parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counter-claim brought by a party hereto against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of the Parties to one another, and/or any claim, injury or damage arising from or consequent upon this Agreement.

(i) **Recitals.** The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Agreement.

(j) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7. **Cancellation of Agreement.** Notwithstanding any term to the contrary set forth herein, the Parties expressly acknowledge and agree that, in the event First Move has not obtained a Certificate of Occupancy for each of the Ross Building and the Chamber Building by August 1, 2023 this Agreement shall terminate immediately and shall be of no force and effect.

8. **Non-Appropriation.** In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any Fiscal Year, any funding required by the City in this Agreement shall terminate on the last day for which appropriations were received by the City, without penalty or expense to the City.

9. **Effective Date.** This Agreement shall be deemed effective as of the date and year first above written, which shall be the later of the following dates: (a) the date this Agreement is executed by First Move; or, (b) the date this Agreement is executed by the City.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]
[SIGNATURES APPEAR ON THE PAGE THAT FOLLOWS]**

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Developer's Agreement as of the date and year referenced below.

WITNESS/ATTEST:

THE CITY:

City of Salisbury, Maryland

By: _____ (SEAL)
Julia Glanz, City Administrator, for and with
the Authority of Jacob R. Day, Mayor

Date: _____, _____, 2020

FIRST MOVE:

First Move Properties, LLC

By: _____ (SEAL)
Nicholas R. Simpson, Managing Member

Date: _____, _____, 2020



Habitat
for Humanity[®]
of Wicomico County

ReStore

Building Hope

Molly Hilligoss, Executive Director

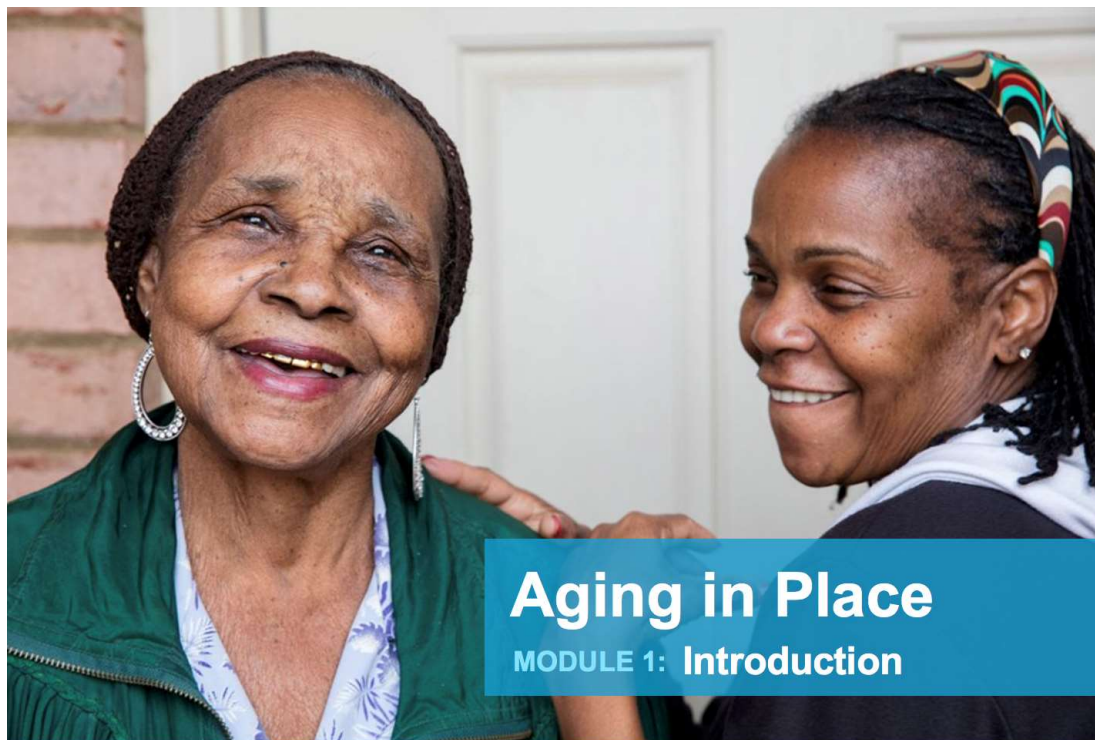


WELCOME HOME!
Join us for a home dedication ceremony

 **Habitat for Humanity**[®]
of Wicomico County

October 26th at 11am – 707 E. Church St.

Roof & Home Repair Program “Aging in Place”



7 Partner Families – future homeowners on our waiting list

The Jones Family



Affordable Home Ownership Program



504 Tangier Street
3 bedroom, 2 bath home
\$158,000

Mortgage only \$650/month

This project meets CDBG National Objectives





Project Costs - \$185,542

Activity	CDBG Funds	Other Funds	Total
Acquisition	0	20,000	20,000
Engineering	0	2,000	2,000
Design	0	5,000	5,000
Site Prep	0	11,382	11,382
Construction	88,000	21,733	109,733
Homeowner Assistance	0	1,900	1,900
Site Supervision	0	25,000	25,000
Demo old home & relocate tenant	0	10,527	10,527
Totals	88,000	85,542	\$185,542

Church Street & Westside Projects

FY21	FY22	FY23	FY24
634 E. Church (recycle)	704 S. Westover Complete & sell	427 Elizabeth – need lot next door	
504 Tangier St. (new) – CDBG Settlement Dec 4, 2020	716 Grace Street	309 Barclay- need lot next door	
319 Martin (demo) 321 Martin (demo) 704 S. Westover (demo)	718 Grace Street	317 Naylor – too small	
414 Elizabeth St. – 3 bed/1 bath Rehab - sell	312 Martin (recycle)		
319 Martin - new			
704 S. Westover – start new build			


Other owned
properties:

1. 611 Dawn Court
2. 609 Dawn Court
3. Booth Street
4. Anderson St
(landlocked,
on old landfill;
not buildable)
5. 122-124
Delaware Ave.

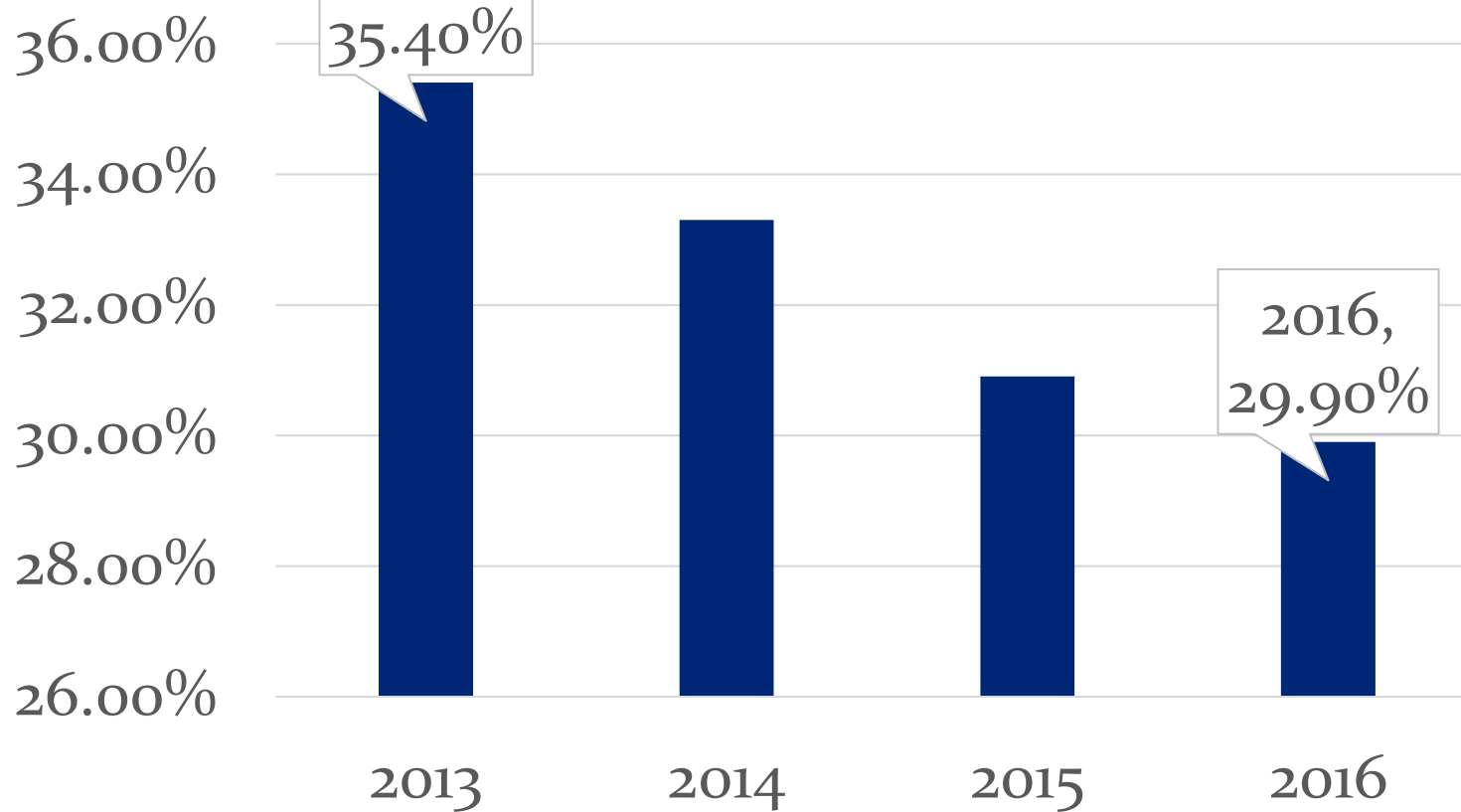
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MH1

Molly Hilligoss, 1/10/2019



Home Ownership is declining in Salisbury Ranks 188 out of 192 Cities in MD (Pop.>5K)

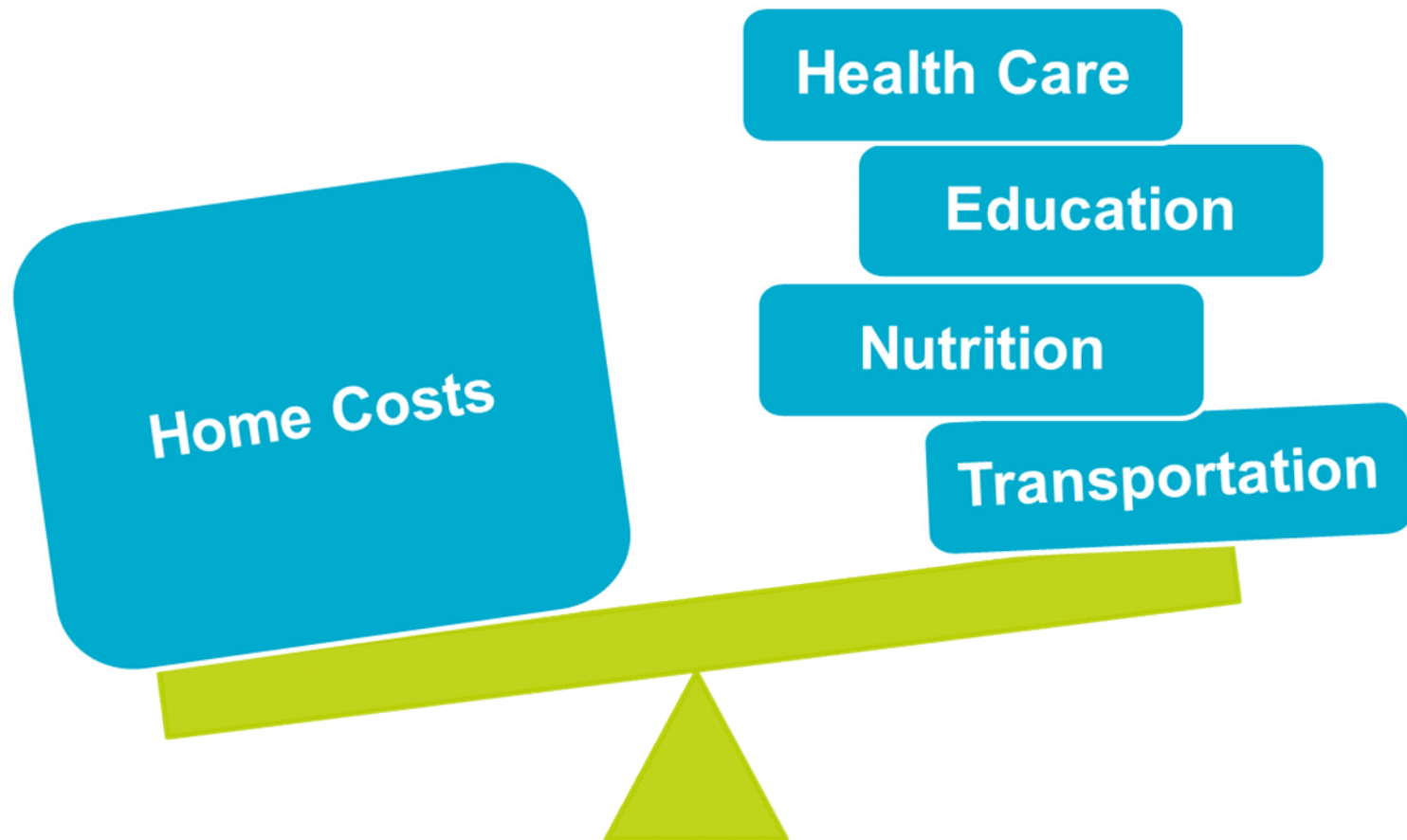




What we are seeing...many barriers for renters to become homeowners

- Landlords can start eviction on the 6th day of the month. (Rent due on the 1st, Grace period till the 5th).
- Ripple effect...bad for renters
- Failure to pay rent (FTPR) cases = 11,000 in FY19 for Wicomico County
- FTPR cases are civil. Never can be expunged.
- Struggling low-income renters saddled with late fees, court costs – can't catch up.
- Nicer apartments require up to 5 year positive landlord reference.
- Low income renters stuck in substandard housing
- Older housing stock is not insulated. Cost to heat can exceed rent. No saving safety net

Our applicants are making difficult choices

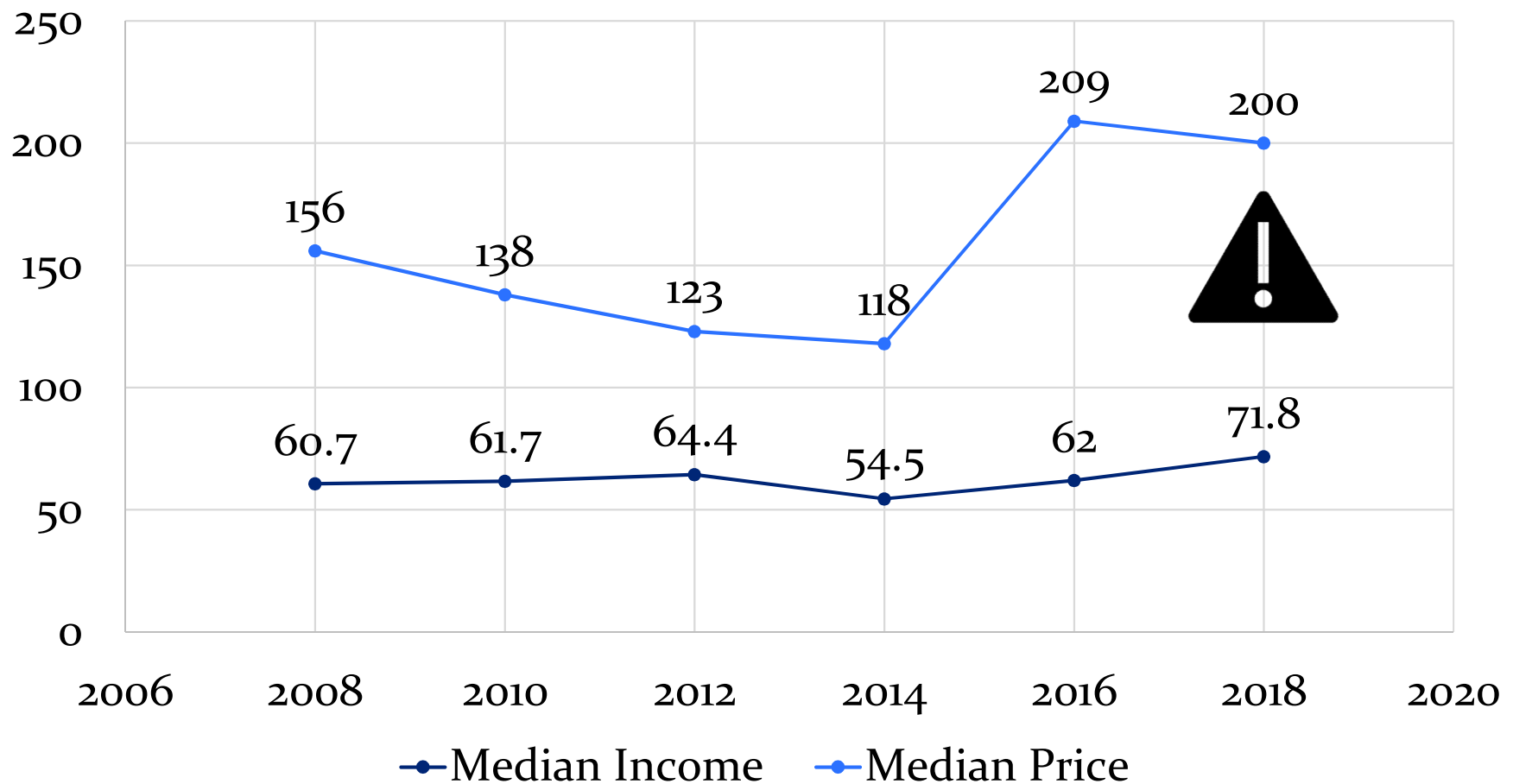


Income, poverty and home ownership

	Maryland	Wicomico	Salisbury
Median household income	\$ 78,900	\$ 53,508	\$ 37,780
Persons in poverty	9.30%	16.3%	27.80%
Owner Occupied homes	66.80%	60%	29%
Median gross rent	\$ 1,311.00	\$ 1,042.00	\$ 1,035.00

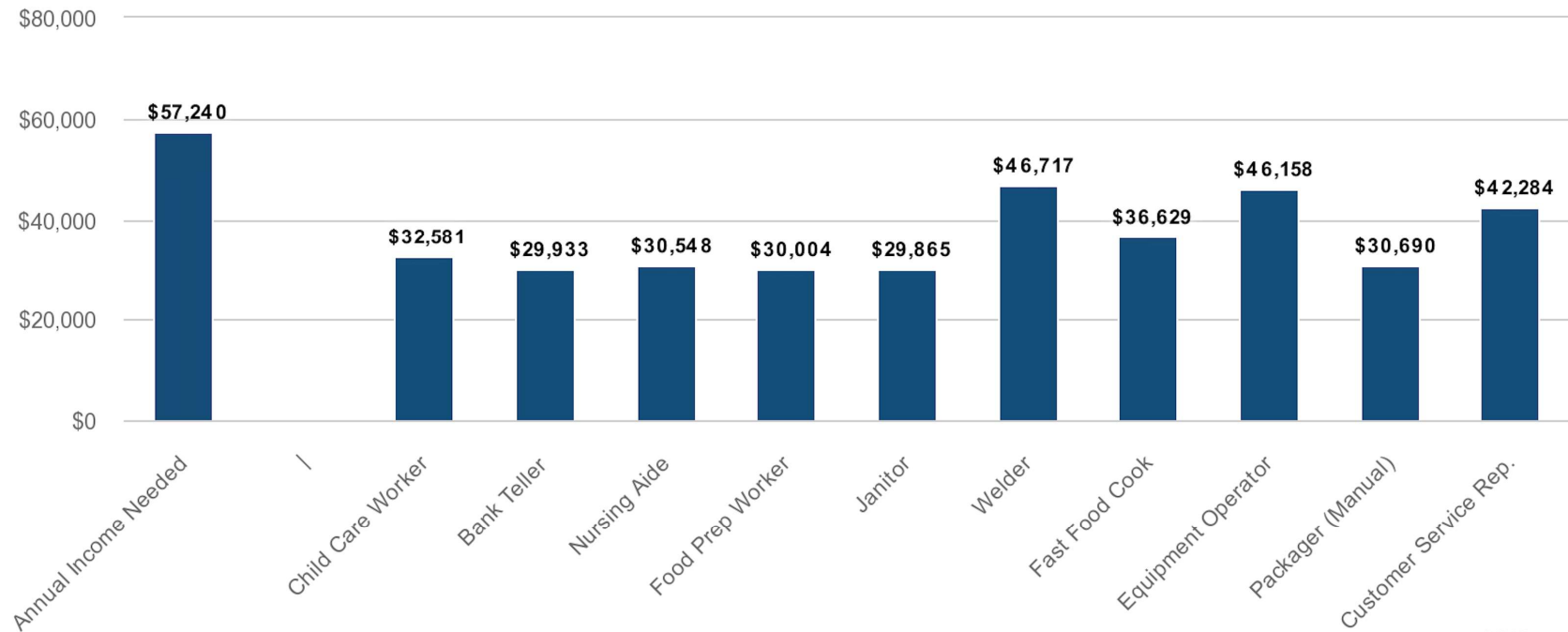
Fewer people can afford to buy

Median Income & Median Home Pricing Trends Wicomico County, MD



Low income jobs lack affordability in current housing market

Salisbury, MD, Homeownership Market





Poverty Cycle – difficult to escape

- To survive, low income families may invite people that are not on the lease.
 - This can trigger a breach in lease and lead to eviction
 - Overcrowding create health concerns due to Covid.
- The cycle of just paying essential bills leaves nothing left for savings.
- Mortgage lending underwriting has tightened due to Covid and fraud.
- Homes that low income people can afford may be in disrepair and won't pass underwriting for FHA loans.



Barriers to affordable rental housing

- 4 paystubs needed
- Credit Score minimums around 600
- Criminal background – must be 7-10 years past date of incarceration
- If applicant owes Delmarva Power, denied
- If applicant owes another landlord, denied
- Some apartments have ‘buckets’ of availability based on income – Low Income Tax Credit Properties vs. Subsidized housing vs. Market Rate
- Larger investor managed apartments use a third party ‘rating’ system for applicants – hard for applicants to understand why they were denied.



What challenges are we seeing?

Pre-COVID and currently that may have long term repercussions.

1. Median incomes in city keep falling
2. LITC properties (new apartments) have barriers to entry – 7 to 10 years lookback if applicant has a criminal background.
3. People need multi-generation housing solutions to survive economically – but it doesn't exist or limited.
4. MD DHCD repair programs have too many barriers to qualify.



Problems with State and Federal Programs

- Complex applications
- FEMA flood maps
- Insurance cancelled
- Credit score requirements
- Home Equity
- Affordability
- Loans vs. Grants
- Deed issues
- Condition of home
- Deterioration
- Family pressure
- No reverse mortgages
- SNHS manages this program for city properties – Cheryl – please weigh in on this.



More challenges

5. Cost to build new keeps rising.
 - Lumber has tripled in price since Covid.
6. CDBG funding not consistent year to year.
7. Cost to rehab can be more than building new.
8. Small in-fill city lots not desirable
 - Habitat Homebuyers want larger lots
 - Fenced yards, 2 car driveway, & 4Bed/2Bath homes.
9. Nuisance rental properties make Church Street and Westside neighborhoods difficult to sell homes.



What can the City of SBY do to support HFH of Wicomico County?

- Partner and donate lots that meet needs of future homeowners (larger lots or lots that adjoin current Habitat owned lots)
- City could create a 2nd mortgage program to help fund new Habitat homes. Lien stays on home until property sells/transfers. Include a recapture clause that adjusts for increase in equity that builds over time. This reduces temptation to flip home.
- Land trust; Land bank – good option. Habitat would want to tap into this.



More support ideas

- Property tax abatement during development of properties.
- Encourage landlords to donate distressed properties – using the tax credit program. This does take time, planning, money for appraisal and approval from Maryland DHCD.
- City willing to hire participants graduating from HabiCorps Reentry program. Each graduate brings a 6-month federal bond guarantee.
- City to encourage developers and LTC properties to reduce lookback period for background checks. *(Let's deep dive another day on this topic with data).*



What can the City of SBY do to support homeownership?

- Create a revolving fund “Roof Repair Program”
- Use Memphis, TN as a model
 - Low barriers to qualify: owner/occupy, current on taxes, low-income.
- Benefits:
 - Older homeowners can ‘age in place’.
 - Reduction medical costs when people are less stressed in healthier homes
 - Increases equity in home
 - Increases value of home – positive impact on tax base
 - Improves vitality of neighborhood

Increase in property value by Habitat for Humanity of Wicomico County (2014-2020)

		Development		Sale				
	Property Address	Date Habitat Acquired	Value	Date Habitat sold	Value at Sale	Difference in Value	# of years in development	Type of Construction
	325 Martin Street	1/10/2008	\$ 8,300.00	12/16/2014	\$ 97,000.00	\$ 88,700.00	6.93	new construction
	1007 E. Church Street	12/12/2012	\$ -	12/4/2015	\$ 108,000.00	\$ 108,000.00	2.98	gut/rehab
	735 E. Isabella	11/17/2010	\$ 4,800.00	9/29/2015	\$ 129,700.00	\$ 124,900.00	4.87	new construction
	626 Cook Drive	6/16/2015	\$ 55,000.00	12/22/2015	\$ 95,000.00	\$ 40,000.00	0.52	takeback - remodel - resell
	425 Coles Circle	5/3/2013	\$ -	12/12/2016	\$ 136,000.00	\$ 136,000.00	3.61	new construction
	605 E. Isabella	3/31/2016	\$ 44,720.00	7/7/2017	\$ 85,000.00	\$ 40,280.00	1.27	rehab
	423 Coles Circle	8/4/2015	\$ 4,500.00	10/10/2017	\$ 136,000.00	\$ 131,500.00	2.18	new construction
	315 Charles St.	7/31/2015	\$ 29,871.00	7/6/2017	\$ 75,000.00	\$ 45,129.00	1.93	gut/rehab
	701 E. Church St.	12/22/2015	\$ 85,000.00	7/28/2017	\$ 85,000.00	\$ -	1.60	takeback - remodel- resell
	304 Martin	4/27/2017	\$ 49,942.00	3/1/2018	\$ 100,000.00	\$ 50,058.00	0.84	rehab
	603 Dawn Court	12/18/2017	\$ 72,000.00	5/1/2018	\$ 120,000.00	\$ 48,000.00	0.37	rehab
	601 Dawn Court	2/14/2017	\$ 49,626.00	7/20/2019	\$ 120,000.00	\$ 70,374.00	2.43	rehab
	707 E. Church St.	10/24/2012	\$ 10,000.00	8/25/2019	\$ 140,000.00	\$ 130,000.00	6.83	new construction
	711 Grace Street	4/29/2015	\$ -	1/28/2020	\$ 158,000.00	\$ 158,000.00	4.75	new construction
	634 E. Church Street	4/29/2020	\$ 59,500.00	9/29/2020	\$ 152,000.00	\$ 92,500.00	0.42	Originally built 2006 and sold for \$59,500 - buyback from Habitat homeowner for \$140,000 - remodel - resell
	504 Tangier Street	6/2/2016	\$ 20,000.00	12/1/2020	\$ 158,000.00	\$ 138,000.00	4.50	Demo/New Construction - Pending sale (CDBG funds used to build)
Total			\$ 493,259.00		\$ 1,894,700.00	\$ 1,401,441.00		



SNHS At A Glance

- ▶ 501 C3 non-profit organization, established in 1994
- ▶ Chartered by Neighborhood Reinvestment Corporation (NRC) dba NeighborWorks America
- ▶ One of 240+ NeighborWorks Organizations
- ▶ Certified HUD Counseling Agency
- ▶ Certified Full-Cycle Lender
- ▶ NMLS licensed mortgage loan originators





Mission Statement

Cultivate sustainable neighborhoods with partnerships and lending that inspire self-reliance, growth and optimism.

Our Goals:



To Increase and Preserve Homeownership



To Reduce Neighborhood Blight



To Provide Resources for Home Improvement



To Encourage Private Investment by Banks, Homeowners, Commercial Users and Landlords



To Foster Sustainable Change Through Education, Training and Leadership Development



To Develop Self Sustaining Programs

Areas Served

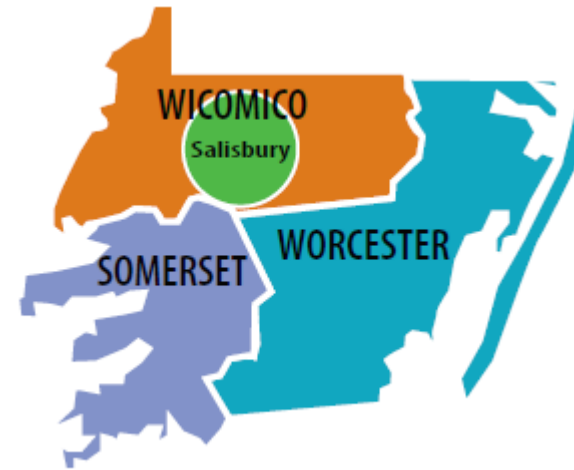
- ▶ City of Salisbury/Wicomico County

- Target Neighborhoods

- ▶ Camden Neighborhood
 - ▶ Westside Neighborhood
 - ▶ Doverdale/Church Street Neighborhood
 - ▶ Newtown/Johnsons Lake Neighborhood

- ▶ Somerset County

- ▶ Worcester County





Benefits of Homeownership

Financial Benefits

- ▶ Monthly mortgage payments are a “forced” savings helping to build net worth
- ▶ Leveraged investment
- ▶ Tax advantages
- ▶ Stable monthly payments, no rent increases

Social Stability

- ▶ Improved educational performance
- ▶ Lower crime rates
- ▶ Increased interactions with neighbors
- ▶ Businesses are able to attract and retain talent

THE REALITY



One in three US households struggle with housing costs.



16 million US households pay 50% or more of their income on housing.



Families must often choose between quality and affordability.



Families may be forced to live outside the city center which in turn leads to transportation problems, a disconnect from the area they work in, lack of responsibility to the community.

Family Challenges to Homeownership

Poor credit history

Lack of financial literacy and understanding the homebuying process

High cost of rent making it difficult to save for a downpayment

Older housing stock expensive to heat/cool

Student Loan Debt

Quality vs Affordability - families forced to sacrifice one for the other

Organizational Challenges

Low inventory
of homes for
sale

Cost of
rehabbing older
homes

Historic District
Regulations

Finding credit
worthy
borrowers

Lack of flexible
funding sources
or sources of
gap financing

Limited City
CDBG funds -
Entitlement
Jurisdiction

Expense of lead
paint reduction

Lack of city
building lots
suitable for CTE
houses

Challenges in
purchasing
foreclosed
properties

Opportunities



Interest rates remain low



Variety of programs available to help with downpayment/closing costs



SNHS able to adapt to current community needs (i.e. managing Rental Assistance Programs)



Strength of NeighborWorks America network of organizations



Potential for new or expanded partnerships

Habitat of Wicomico County
Village of Hope
Salisbury University
Local government

SNHS Educational Programs and Services

- ▶ Homebuyer Education Workshops
 - ▶ Group Sessions
 - ▶ On-line at www.ehomeamerica.org
- ▶ Financial Fitness Workshops - *Free*
- ▶ Individual credit and budget counseling-*Free*
- ▶ Foreclosure Counseling and Intervention-*Free*

SNHS Loan Products

- ▶ Tandem Loans - second mortgage of 20% of purchase price - available Countywide. Maximum loan amount is \$42,000. No income restrictions within the City limits of Salisbury, 120% AMI all other areas. *Available in Wicomico County only.*
- ▶ Closing Cost Loans - up to \$15,000, interest rate will match the first mortgage rate. No income restrictions within the City limits of Salisbury, 120% AMI all other areas. *Available in Wicomico, Somerset and Worcester counties*
- ▶ Rehab loans - only available in the City of Salisbury. Maximum loan amount is \$25,000 with an interest rate of 1%.

Other Homeownership Incentives

- ▶ Wicomico County CDBG Downpayment and Closing Cost Grants - up to \$10,000 - restricted to 80% AMI
- ▶ City of Salisbury CDBG Downpayment and Closing Cost Grants - up to \$10,000 - restricted to 80% AMI
- ▶ Salisbury University Live Near Your Work Program - up to \$2,500. - No income restrictions, only available to employees of SU.
- ▶ City Tax Abatement Program

Rehab Programs for Existing Homeowners

- ▶ SNHS Rehab Loans – no income restrictions: Interest rate of 1%
- ▶ Maryland Housing Rehab Program (MHRP)
- ▶ Lead Hazard Reduction Grant and Loan Program (LHRGLP)
- ▶ Special Targeted Area Program (STAR)
- ▶ *All programs listed above are available Citywide*



	New Homeowners	Group Homebuyer Education	New Foreclosure Clients	Individual Counseling Clients	Acq./ Rehab + New Constr.	Total Investment
FFY 2016	37	67	72	317	2	\$5,657,855
FFY 2017	60	112	66	383	2	\$8,573,194
FFY 2018	60	96	52	261	3	\$9,238,004
FFY 2019	55	151	52	315	1	\$8,431,411
FFY 2020	41	93	20	337	2	\$5,904,169

SNHS Production
October 1, 2015-September 30, 2020



Our commitment to reduce neighborhood blight has allowed us to acquire and rehabilitate many properties throughout the City of Salisbury. In the last 5 years, we have purchased or acquired 10 properties- all ten have been renovated and sold to homeowners















Rose Street Blossoms

Our incredible relationship with Parkside High School's CTE program spans almost 2 decades. In that time, we have re-built the Rose Street neighborhood and added thirteen new single family homes to the Westside neighborhood.







What can the City do to help SNHS further homeownership opportunities and retention?

Develop	Develop a comprehensive database of available resources.
Include	Include notices of available resources in City mailings (i.e. water bills)
Facilitate	Facilitate some “flexibility” within the Historic District’s interpretation of the guidelines.
Promote	Promote the City’s Tax Abatement Program for homeowners purchasing a property that was previously a rental.
Become	Become a participating employer in the Live Near Your Work Program.
Consider	Consider participating with SNHS in a matched IDA (Individual Development Account) Program for City employees.
Provide	Provide PSA’s on social media platforms on how to recognize and avoid scams.
Continue	Continue to support our grant applications for State & Federal funding

QUESTIONS





Cheryl Meadows
Executive Director



MEMORANDUM

To: City Council

From: Andy Kitzrow, Deputy City Administrator

Subject: HORIZON program (Local real property tax credit)

Date: November 12, 2020

Here is summary of the HORIZON program.

Program Goals

The primary goal of the program is to accelerate the construction or expansion of hotel or multifamily residential development in the Central Business Zoning District and Riverfront Redevelopment Zoning Districts (Exhibit 1) spurring economic activity in Downtown Salisbury. Also, the program aims to:

- Add new jobs to the Downtown workforce by providing spaces, culture and an environment that will be attractive to new companies and promote local growth.
- Attract private capital investments into the Central Business District and Riverfront Redevelopment Districts by funding large scale development projects that increase the assessed value of real property in Downtown by millions of dollars.

Tax Abatement Program Comparison

Specific Program requirements by the City of Salisbury	HORIZON	PILOT	TIF (District)	Enterprise Zone	RISE Zone
Eligible to be combined with other local, state, and federal incentive programs.	X	X	X	X	X
Applies to Target Areas: Central Business District & Riverfront Redevelopment Districts	X	X	X	X	
Includes tax abatement for the development of market rate residential property and/or hotels	X*	X*	X		
Abatement "schedule" is capable of being greater than 10 years – (A request of several local developers.)	X	X	X		
The program has <u>no</u> restrictions on use of <u>new</u> tax revenues collected from the development.	X	X		X	
All identified development projects** are eligible for the program (i.e. the program is universal).	X	X		X	
The "tax credit schedule" is uniform and all qualified projects must receive identical terms streamlining the approval process.	X			X	

**Requires state enabling legislation*

***The City has identified 6 development projects/sites - The Ross, Salisbury Town Center, SBY Market Center, Marina Landing, "500 Riverside", Downtown Lofts*

Program Eligibility Highlights

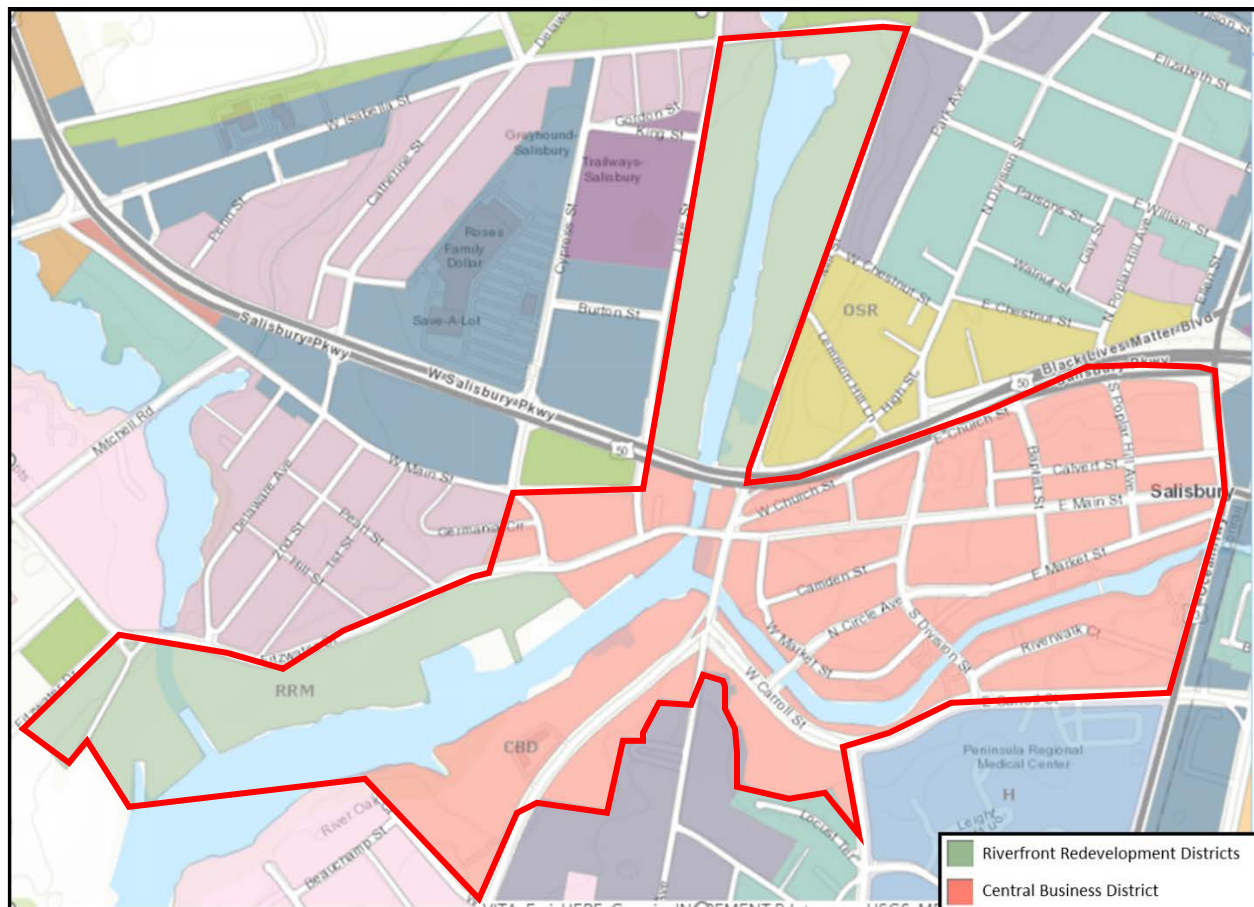
MEMORANDUM

- The project location is within one or more of the following Zoning Districts: Central Business District and/or Riverfront Redevelopment Districts and constitutes new development, rehab or revitalization of an existing building or property (Map attached)
- The project must serve primarily as a multifamily residential development or a hotel as defined in the City's annotated code.
- Upon completion, the project will increase the assessed value of the real property base value by at least \$10,000,000.00.

Tax Credit Schedule Twenty (20) year term as follows:

Tax Billing Year	Real Property Tax Credit
Years 1 to 5	100%
Years 6 to 10	80%
Years 11 to 15	60%
Years 16 to 20	40%

Exhibit 1



A RESOLUTION OF THE CITY OF SALISBURY SUPPORTING THE IMPLEMENTATION OF THE HORIZON PROGRAM TO ENCOURAGE HOTEL AND LARGE SCALE RESIDENTIAL DEVELOPMENT AND REVITALIZATION IN THE DOWNTOWN AREA OF SALISBURY.

WHEREAS, implementing the HORIZON (hotel or residential incentive zone) Program will support financially responsible businesses in their efforts to construct or expand hotel and multifamily residential development in those areas, which will further result in positive economic and social effects, including, but not limited to increases in cultural activity opportunities, employment opportunities, extracurricular activities, business activities and environmental upgrades; and

WHEREAS, the City through the Department of Infrastructure & Development shall process applications connected to the HORIZON Program to ensure compliance with the program and shall review and approve all completed applications before benefits tied to the program are approved and enjoyed by developers; and

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND supports the HORIZON program and the proposed application submitted with this resolution and attached as Exhibit A as the initial proposed application.

The above resolution was introduced, read and duly passed at the regular meeting of the Council of the City of Salisbury held on the ____ day of _____, 2020, and is to become effective immediately.

**John R. Heath, President
Salisbury City Council**

Approved by me this ____ day of _____, 2020

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Jacob R. Day, Mayor