

RESOLUTION NO. 3101

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND DECLARING THAT SBY DEVELOPMENT GROUP LLC IS ELIGIBLE TO RECEIVE ENTERPRISE ZONE BENEFITS FOR PROPERTY LOCATED AT 229 W. MAIN STREET, SALISBURY, MARYLAND.

WHEREAS the City of Salisbury, Maryland and Wicomico County created an Enterprise Zone on June 6, 1983 for the purpose of encouraging economic development of the area encompassed within the boundaries of such zone; and

WHEREAS the Enterprise Zone was created under authority granted by the State of Maryland; and

WHEREAS the State Code permits certain benefits to be extended to businesses that locate or expand in the Enterprise Zone provided that they meet certain standards; and


WHEREAS, the City of Salisbury and Wicomico County have also established certain standards, which must be met in order for a business to be deemed eligible to receive Enterprise Zone benefits; and

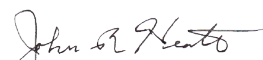
WHEREAS, SBY Development Group LLC meets the standards set forth in the State Code and in local regulations to be eligible to receive Enterprise Zone benefits; and

WHEREAS, Bret Davis, representing SBY Development Group LLC has requested that the company be designated as eligible for Enterprise Zone benefits because of its investment of more than \$50,000 at their property located in the zone at 229 W. Main Street and/or for their hiring of two or more new full-time employees;


NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland that SBY Development Group LLC be designated as eligible to receive the benefits of the Enterprise Zone effective upon the adoption of this resolution.

The above Resolution was introduced and read and passed at the regular meeting of the Salisbury City Council on the 12<sup>th</sup> day of April, 2021.

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

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

APPROVED by me this  
13 day of April 2021.

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

---

**INTER**

---

---

**OFFICE**

---

# MEMO

---

## Office of the Business Development

**To:** City Council  
**From:** Laura Soper  
**Subject:** Enterprise Zone Eligibility – Sby Development Group LLC  
**Date:** April 12, 2021

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

I recommend that the City Council adopt the attached resolution designating Sby Development Group LLC located at 229 W Main Street, eligible to receive the benefits of the Enterprise Zone.

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

cc: Mayor Day  
Julia Glanz  
Kim Nichols

Attachments

**Application for Maryland State Enterprise Zone Certification in  
Salisbury-Wicomico County, Maryland**

This application will determine whether your business, property, or developer is eligible for Maryland Enterprise Zone tax credits. If determined to be eligible, you will receive a letter from the Enterprise Zone Administrator indicating which tax credit(s) you are eligible to receive.

Applying For:

Income Tax Credit

☐

Real Property Tax Credit

☒

Personal Property Tax Credit (Applies only to Focus Area Zones) ☐

**This Section is to be filled by Local Zone Administrators Only**

The Real Property Credit

A ten-year credit against local property taxes is available to companies that locate, expand, or substantially improve business properties in the Enterprise Zone. The property tax credit is equal to 80% of the difference between the base value of the property (the assessment in the year prior to new construction, expansion, or substantial improvement) and the newly assessed value of the property after the investment is made. The property tax credit is 80% for five years. During the last five years, the property tax credit declines 10% annually; the credit is 70%, 60%, 50%, 40%, and 30% respectively. This tax credit is administered to the real property owner in their Property Taxes.

Necessary Qualifications

- Applicant must plan to make a capital investment in its property of \$50,000 or more
- Applicant should be mindful of having a base assessment done before commencing work
- Applicant should apply after receiving all required building permits and before or at the beginning of construction.
- Only commercial properties may apply, any portion of the property devoted to residential use may not receive the credit
- In order to receive a property tax credit for the next taxable year (beginning on July 1 when the tax bill is issued), the local Zone Administrator must certify to the Department of Assessments and Taxation the eligibility of a particular business by no later than the end of the preceding calendar year on December 31st.
- The granting of an Enterprise Zone property tax credit is affected by the timing of the completion of capital improvements, the assessment cycle, and how the improvements are assessed. (I.E. the improvement must change the value of the real property)
- The law states that the credit shall be granted to the "owner" of a qualified property. In cases where a lessee make the capital improvements, the lessees should make a contractual provisions with the owner of the qualified property regarding receipt of the property tax credit.

### The State Income Credit

This credit is applied to your state income taxes, and its value is based on the number and type of new employees hired by the business. To receive the credit the business must meet the following:

- Must have hired two or more employees that meet necessary qualifications
- Must have been hired after the date on which the Enterprise Zone was designated or the date on which the business relocated in the Enterprise Zone, whichever is later.
- Must be filling a new position or replacing an employee who was previously certified as economically disadvantaged
- Must have been employed at least 35 hours a week for at least six months
- Must be paid at least 150% of the federal minimum wage throughout his or her employment by a business entity before or during the taxable year for which the entity claims a credit
- Must have spent at least half of his or her working hours in the Enterprise Zone or on activities directly resulting from the business location in the zone
- Must be a new employee or an employee rehired after being laid off by the business for more than one year

There are two types of income tax credits. If the employee is not economically disadvantaged, you may qualify for a one-time credit of \$1,000 per employee. If the employee is economically disadvantaged (as determined by the Maryland Jobs Service), you may take a credit up to \$3,000 of the employee's wages in the first year of employment. The credit is \$2,000 in the second year, and \$1,000 in the third. Once/if you have been certified, you can claim these credits upon filing a Tax Return.

- To be eligible, an applicant must answer all questions in Sections A and B
- If applying for the "Property" tax credit, please complete Section C
- If applying for the "Employment (income)" tax credit, please complete Section D
- If the account is located in Focus Area and you are applying for the "Personal Property" tax credit, please complete Section E

**Section A: Applicant Information**

Name of Business / Developer applying for Enterprise Zone credits:

SBY Development Group LLC

Name of Contact Person: Bret Davis

Title: Co-Owner

Phone: 240-994-6481

Email: Bretdavis@kw.com

Mailing Address: 318 W. Carroll Street Suite A Salisbury, MD

**Section B: Enterprise Zone Property Information**

Enterprise Zone Property Address: 229 W. Main Street Salisbury, MD 21801

Property Tax Account Number: 09-054758

Property Ownership: Fee Simple

Lease: \_\_\_\_\_ Own: ☒

**Section C: Enterprise Zone Property Improvements Information**

To be eligible for Enterprise Zone property tax credits, the application must be submitted prior to the project completion date and issuance of User/Occupancy Permits. If the developer or company making property improvements is applying on behalf of the property owner, the property owner must concur with the application by co-signing below. The property tax credits are automatically applied to the property tax bill (i.e., directly awarded to the property owner only). If you are not applying for the property tax credit, this section may be left blank.

Owner of the Real Property: SBY Development Group LLC

Mailing address of property owner: 318 W. Carroll Street Suite A Salisbury, MD

Phone: 410-844-4160

Email Address: bretdavis@kw.com

Project Start Date: 04/05/2021

Anticipated Project Completion Date: 09/30/2021

Briefly describe capital improvements plans: Commerical redevelopment: Tenant Fit Out, replacing inefficient

lighting, replacing hvac system and roof, and upgrading security features.

Type of Construction and Costs

Cost of building(s) & land (acquisition): \$ 245,000


New Construction: \$ \_\_\_\_\_

Rehabilitation: \$ 275,000

Cost of new machinery & equipment\*: \$ \_\_\_\_\_

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

Name of Applicant: Bret Davis Position/Title: Co-Owner

Applicant Signature:  Date: 3/24/2021

Name of Property Owner: Bret Davis Position/Title: Co-Owner

Property Owner Signature:  Date: 3/24/2021

\*Cost of new machinery & equipment is not a part of real property assessment.

### Section D: Enterprise Zone Employment Tax Credit Information

To be eligible of Enterprise Zone employment tax credits, please complete the following section. Employment tax credits to be applied against State income tax liabilities are available for certain new employees hired in the Enterprise Zone. The requirements for qualified employees can be found on Maryland Department of Commerce Website: <http://commerce.maryland.gov/fund/programs-for-businesses/enterprise-zone-tax-credit>. If you are not applying for the employment tax credit, this section may be left blank.

Federal Employer Identification Number (EFIN): 83-1737637

Unemployment Insurance #: \_\_\_\_\_ NAICS Code (if available): \_\_\_\_\_

Type of Business (i.e., restaurant, retail, financial services, etc.): Real Estate Holding

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

If yes, since what year: \_\_\_\_\_

Is the business relocation from another place? Yes \_\_\_\_\_ No X

If yes, where was the previous location?: \_\_\_\_\_

Is the business a new, start-up? Yes \_\_\_\_\_ No X

Did the Enterprise Zone benefits affect your decision to locate at this address? Yes ☐ No ☒

If yes, please explain how the Enterprise Zone benefits will assist your business. :

\_\_\_\_\_

Number of existing employees: 0

If you are new to the Enterprise Zone, please provide the number of employees before relocating or locating in the Enterprise Zone: 0


If you were already located in the Enterprise Zone, please provide the number of employees as of date of this application in the Enterprise Zone: 0

Number of new full-time jobs to be created in the Enterprise Zone in the next 12 months: 0

Number of new part-time jobs to be created in the Enterprise Zone in the next 12 months: 0

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

Name of Applicant: Bret Davis Position/Title: Co-Owner

Signature:  Date: 3/24/2021

## Real Property Data Search ( w1)

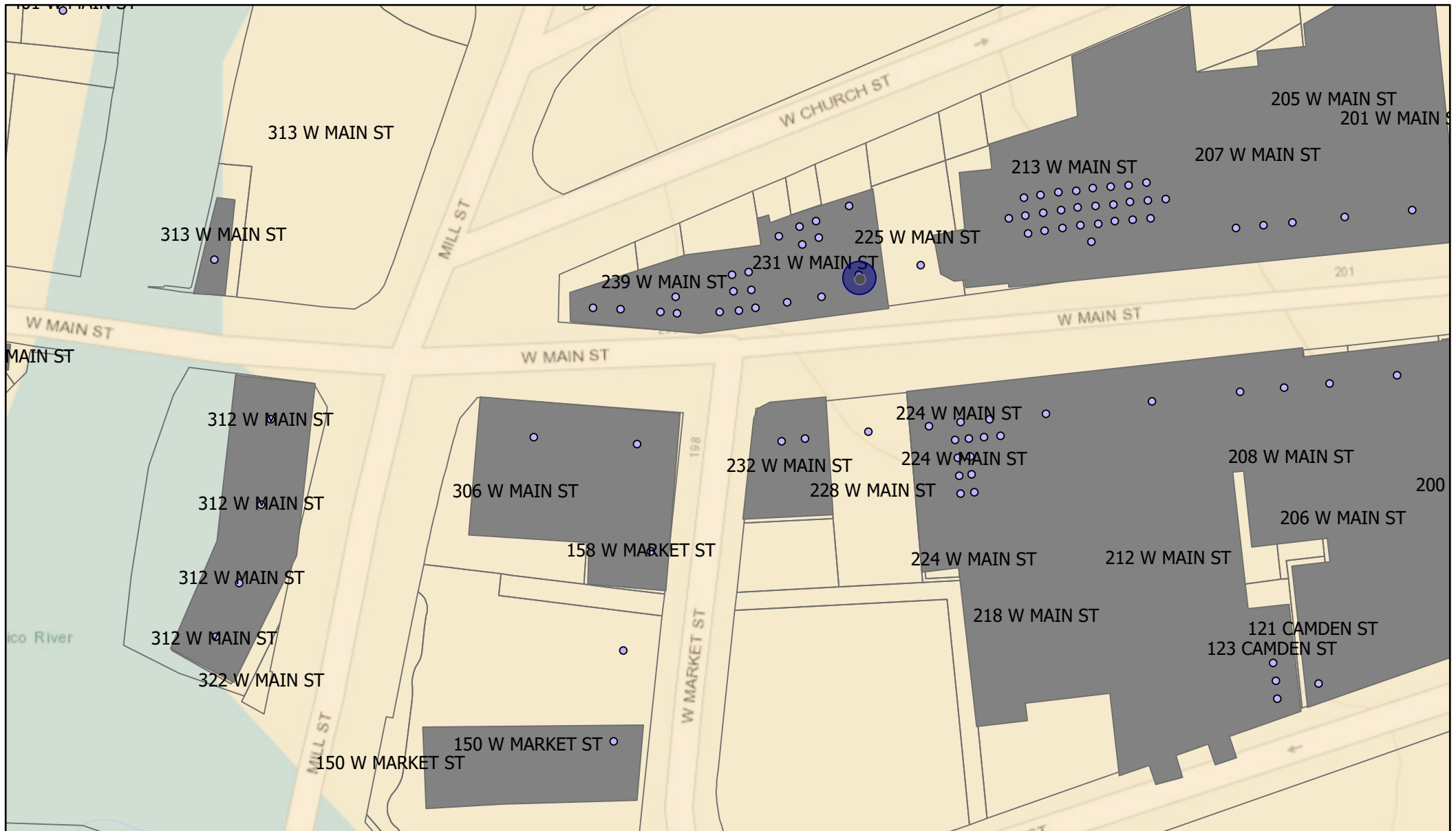
Search Result for WICOMICO COUNTY

View Map			View GroundRent Redemption				View GroundRent Registration			
Special Tax Recapture: None										
Account Identifier:			District - 09 Account Number - 054758							
Owner Information										
Owner Name:			SBY DEVELOPMENT GROUP LLC				Use: Principal Residence:		COMMERCIAL NO	
Mailing Address:			318 W CARROLL ST STE A 2ND FLOOR SALISBURY MD 21801-				Deed Reference:		/04786/ 00108	
Location & Structure Information										
Premises Address:			229 W MAIN ST SALISBURY 21801-0000				Legal Description:		BL-A L-8 2,424SQ FT 229 W MAIN STREET CITY OF SALIS	
Map:	Grid:	Parcel:	Neighborhood:	Subdivision:	Section:	Block:	Lot:	Assessment Year:	Plat No:	
0107	0014	1021	21003.23	0000		A	8	2021	Plat Ref:	
Town: SALISBURY										
Primary Structure Built			Above Grade Living Area		Finished Basement Area			Property Land Area		County Use
1920			5,107 SF					2,424 SF		
Stories	Basement	Type	Exterior	Quality	Full/Half Bath	Garage	Last Notice of Major Improvements			
		OFFICE BUILDING	/	C3						
Value Information										
			Base Value		Value		Phase-in Assessments			
					As of		As of		As of	
					01/01/2021		07/01/2020		07/01/2021	
Land:			36,300		36,300					
Improvements			190,200		209,500					
Total:			226,500		245,800		226,500		232,933	
Preferential Land:			0		0					
Transfer Information										
Seller: JUNI ENTERPRISES LLC				Date: 02/09/2021				Price: \$245,000		
Type: ARMS LENGTH IMPROVED				Deed1: /04786/ 00108				Deed2:		
Seller: PERDUE, HERMAN E				Date: 03/12/2004				Price: \$233,000		
Type: NON-ARMS LENGTH OTHER				Deed1: /02203/ 00246				Deed2:		
Seller: PERDUE, HERMAN E				Date: 02/16/1982				Price: \$5,000		
Type: NON-ARMS LENGTH OTHER				Deed1: /00970/ 00062				Deed2:		
Exemption Information										
Partial Exempt Assessments:			Class			07/01/2020		07/01/2021		
County:			000			0.00				
State:			000			0.00				
Municipal:			000			0.00 0.00		0.00 0.00		
Special Tax Recapture: None										
Homestead Application Information										
Homestead Application Status: No Application										
Homeowners' Tax Credit Application Information										
Homeowners' Tax Credit Application Status: No Application						Date:				






1. This screen allows you to search the Real Property database and display property records.
2. Click [here](#) for a glossary of terms.

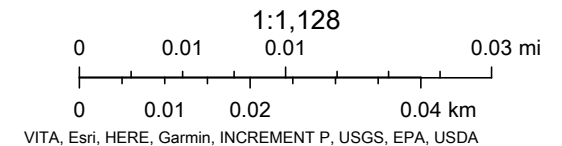


# ArcGIS Web Map



3/25/2021, 3:28:33 PM

-  Override 1
-  Address Points
-  Parcels
-  Buildings
-  Enterprise\_Zone



**From:** [Faith Richardson](#)  
**To:** [Laura Soper](#)  
**Subject:** RE: Enterprise Zone - 229 W Main  
**Date:** Thursday, March 25, 2021 4:04:26 PM

---

Good afternoon Ms. Laura, they are in good standing & nothing is owed on the account.

---

**From:** Laura Soper  
**Sent:** Thursday, March 25, 2021 3:45 PM  
**To:** Amanda Pollack <APollack@salisbury.md>; Olga Butar <obutar@salisbury.md>; Kay Lundy <klundy@salisbury.md>; Faith Richardson <frichardson@salisbury.md>  
**Subject:** Enterprise Zone - 229 W Main

I have received a request from Sby Development Group LLC located at 229 W Main Street, Salisbury, MD that they be deemed qualified to receive Enterprise Zone benefits. In order to receive such designation, it is necessary that they meet certain criteria. I am requesting that your departments help me in processing their application by helping me to determine if they meet the necessary criteria.

Infrastructure & Development

Does this business meet the limitations of the City's Sewer Use Ordinance?

Does this business meet State and local storm water management codes and regulations?

Does this business meet the zoning code?

Does this business comply with subdivision regulations?

Does this business meet the building code (or did it at the time of construction)?

Does this business meet all permit requirements?

-

Finance

Is this business up to date on their taxes?

Are they in good standing with SDAT?

Please answer the questions above under the heading for your department and return to my office by 4/1/2021. Your assistance is appreciated. If you have any questions, please let me know.

**Laura Soper**  
Director of Business Development  
City of Salisbury

**From:** [Amanda Pollack](#)  
**To:** [Laura Soper](#)  
**Subject:** FW: Enterprise Zone - 229 W Main  
**Date:** Monday, March 29, 2021 9:25:42 AM

---

Laura,

The business meets all necessary codes including sewer use and stormwater management. It also meets all permit requirements. Please also see Bill's email below.

Amanda

**Amanda H. Pollack, P.E.**

Director

Department of Infrastructure and Development

City of Salisbury

125 N. Division St., Room 202

Salisbury, MD 21801

410-548-3170

[www.salisbury.md](http://www.salisbury.md)

---

**From:** William Holland  
**Sent:** Monday, March 29, 2021 9:02 AM  
**To:** Amanda Pollack <APollack@salisbury.md>; Anne Roane <aroane@salisbury.md>  
**Subject:** RE: Enterprise Zone - 229 W Main

Amanda – a building permit has been issued for the subject property. Once completed, it will meet building/fire code requirements and meets zoning code standards..... Bill

**William T. Holland**

Building Official

Infrastructure & Development

City of Salisbury

125 N. Division Street, B13

Salisbury, MD 21801

Phone: 410-548-3130

Fax: 410-548-3183



[www.salisbury.md](http://www.salisbury.md)

---

**From:** Laura Soper

**Sent:** Thursday, March 25, 2021 3:45 PM

**To:** Amanda Pollack <[APollack@salisbury.md](mailto:APollack@salisbury.md)>; Olga Butar <[obutar@salisbury.md](mailto:obutar@salisbury.md)>; Kay Lundy <[klundy@salisbury.md](mailto:klundy@salisbury.md)>; Faith Richardson <[frichardson@salisbury.md](mailto:frichardson@salisbury.md)>

**Subject:** Enterprise Zone - 229 W Main

I have received a request from Sby Development Group LLC located at 229 W Main Street, Salisbury, MD that they be deemed qualified to receive Enterprise Zone benefits. In order to receive such designation, it is necessary that they meet certain criteria. I am requesting that your departments help me in processing their application by helping me to determine if they meet the necessary criteria.

Infrastructure & Development

Does this business meet the limitations of the City's Sewer Use Ordinance?

Does this business meet State and local storm water management codes and regulations?

Does this business meet the zoning code?

Does this business comply with subdivision regulations?

Does this business meet the building code (or did it at the time of construction)?

Does this business meet all permit requirements?

-

Finance

Is this business up to date on their taxes?

Are they in good standing with SDAT?

Please answer the questions above under the heading for your department and return to my office by 4/1/2021. Your assistance is appreciated. If you have any questions, please let me know.

**Laura Soper**

Director of Business Development

City of Salisbury

110 N Division Street

Salisbury, MD 21801

(O): 410-677-1916