



## CITY OF SALISBURY CITY COUNCIL AGENDA

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June 28, 2021

6:00 p.m.

Government Office Building, Room 301, Salisbury, Maryland and Zoom Video Conferencing

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Times shown for agenda items are estimates only.

- 6:00 p.m. CALL TO ORDER
- 6:01 p.m. WELCOME/ANNOUNCEMENTS /PLEDGE
- 6:02 p.m. CITY INVOCATION- Chaplain Cooper of New Dimensions Family Ministries, Salisbury Fire Department Volunteer Firefighter & Chaplain
- 6:05 p.m. ADOPTION OF LEGISLATIVE AGENDA
- 6:06 p.m. CONSENT AGENDA – City Clerk Kimberly Nichols
- **Resolution No. 3111**- declaring that 106 North Division Street LLC is eligible to receive Enterprise Zone benefits for property located at 106 N Division Street, Salisbury, MD
- 6:08 p.m. RESOLUTION – Deputy City Administrator Andy Kitzrow
- **Resolution No. 3112**- making a Declaration Of Official Intent regarding reimbursing from proceeds of a future borrowing project expenditures made in connection with a project identified as Aparatus Replacement – Aerial Ladder
- 6:11 p.m. ORDINANCES- City Attorney Michael Sullivan
- **Ordinance No. 2669**- 2<sup>nd</sup> reading- to establish a program to encourage hotel and large-scale residential development and revitalization in the Downtown area of Salisbury, to be known as the HORIZON program
  - **Ordinance No. 2670**- 2<sup>nd</sup> reading- for the abandonment of an alley located between East William Street and Davis Street, near East Main Street
  - **Ordinance No. 2671**- 2<sup>nd</sup> reading- approving a budget amendment of the FY2021 General Fund to appropriate funds for Attorney Fees
  - **Ordinance No. 2672**- 1<sup>st</sup> reading- to authorize the Finance Department to establish a Project Expenditure Account in order to pay those invoices for Mitchell Landing Apartments that will be reimbursable through the Mitchell Landing Reserve for Replacement (RFR) Account
  - **Ordinance No. 2673**- 1<sup>st</sup> reading- to authorize the Mayor to enter into a contract with the Department of Housing and Community Development for the purpose of accepting grant funds in the amount of \$20,000.00, and to approve a budget amendment to the Grant Fund to appropriate these funds for eligible expenses associated with the 2021 National Folk Festival

- **Ordinance No. 2674-** 1<sup>st</sup> reading- to authorize the Mayor to enter into a contract with the Federal Emergency Management Agency for the purpose of accepting grant funds in the amount of \$12,708.50, and to approve a budget amendment to the Grant Fund to appropriate these funds for offsetting COVID-19 expenses

6:38 p.m. PUBLIC COMMENTS

6:43 p.m. ADMINISTRATION and COUNCIL COMMENTS

6:48 p.m. ADJOURNMENT

Copies of the agenda items are available for review in the City Clerk's Office, Room 305 – City/County Government Office Building, 410-548-3140 or on the City's website [www.salisbury.md](http://www.salisbury.md). City Council Meetings are conducted in Open Session unless otherwise indicated. All or part of the Council's meetings can be held in Closed Session under the authority of the Maryland Open Meetings Law, Annotated Code of Maryland General Provisions Article § 3-305(b) by vote of the City Council.

**NEXT COUNCIL MEETING – JULY 12, 2021**

- Proclamation- Matrix Soccer Academy USA
- Certificates: Vaccine Art Contest
- Resolution No. \_ - to approve The Ross Soil MOU
- Resolution No. \_ - to approve The Ross Connection Fee Waiver
- Resolution No. \_ - to approve The Ross HORIZON Program Agreement
- **Ordinance No. 2672-** 2<sup>nd</sup> reading- to authorize the Finance Department to establish a Project Expenditure Account in order to pay those invoices for Mitchell Landing Apartments that will be reimbursable through the Mitchell Landing Reserve for Replacement (RFR) Account
- **Ordinance No. 2673-** 2<sup>nd</sup> reading- to authorize the Mayor to enter into a contract with the Department of Housing and Community Development for the purpose of accepting grant funds in the amount of \$20,000.00, and to approve a budget amendment to the Grant Fund to appropriate these funds for eligible expenses associated with the 2021 National Folk Festival
- **Ordinance No. 2674-** 2<sup>nd</sup> reading- to authorize the Mayor to enter into a contract with the Federal Emergency Management Agency for the purpose of accepting grant funds in the amount of \$12,708.50, and to approve a budget amendment to the Grant Fund to appropriate these funds for offsetting COVID-19 expenses

Join Zoom Meeting

<https://us02web.zoom.us/j/5362772908>

Meeting ID: 536 277 2908

Phone: 1.301.715.8592

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**INTER**

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**OFFICE**

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# MEMO

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## Office of the Business Development

**To:** City Council  
**From:** Laura Soper  
**Subject:** Enterprise Zone Eligibility – 106 North Division Street LLC  
**Date:** June 22, 2021

Attached is a copy of the application requesting Enterprise Zone designation for 106 North Division Street 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 106 North Division Street LLC located at 106 N Division 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:  
106 North Division Street LLC

Name of Contact Person: Bret Davis

Title: Owner

Phone: 240-994-6481

Email: bdavis@davis-strategic.com

Mailing Address: 318 W. Carroll Street Suite A Salisbury, MD 21801

**Section B: Enterprise Zone Property Information**

Enterprise Zone Property Address: 106 N. Division Street Salisbury, MD 21801

Property Tax Account Number: 09-047069

Property Ownership: 100%

Lease:      Own: X

**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: 106 North Division Street LLC

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

Phone: 240-994-6481

Email Address: bdavis@davis-strategic.com

Project Start Date: 7/1/2021

Anticipated Project Completion Date: 12/1/2021

Briefly describe capital improvements plans: Commercial redevelopment, Tenant Fit out,

replacing lighting, replacing hvac, upgrading security features, and installing new roof

Type of Construction and Costs

Cost of building(s) & land (acquisition): \$ 135,000


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

Rehabilitation: \$ 398,000

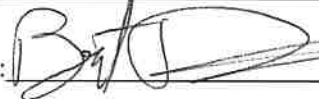
Cost of new machinery & equipment\*: \$ \_\_\_\_\_

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: Owner

Applicant Signature:  Date: 6/14/2021

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

Property Owner Signature:  Date: 6/14/21

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

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

To be eligible for 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): 85-2779835

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: \_\_\_\_\_

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: Owner

Signature:  Date: 6/14/2021



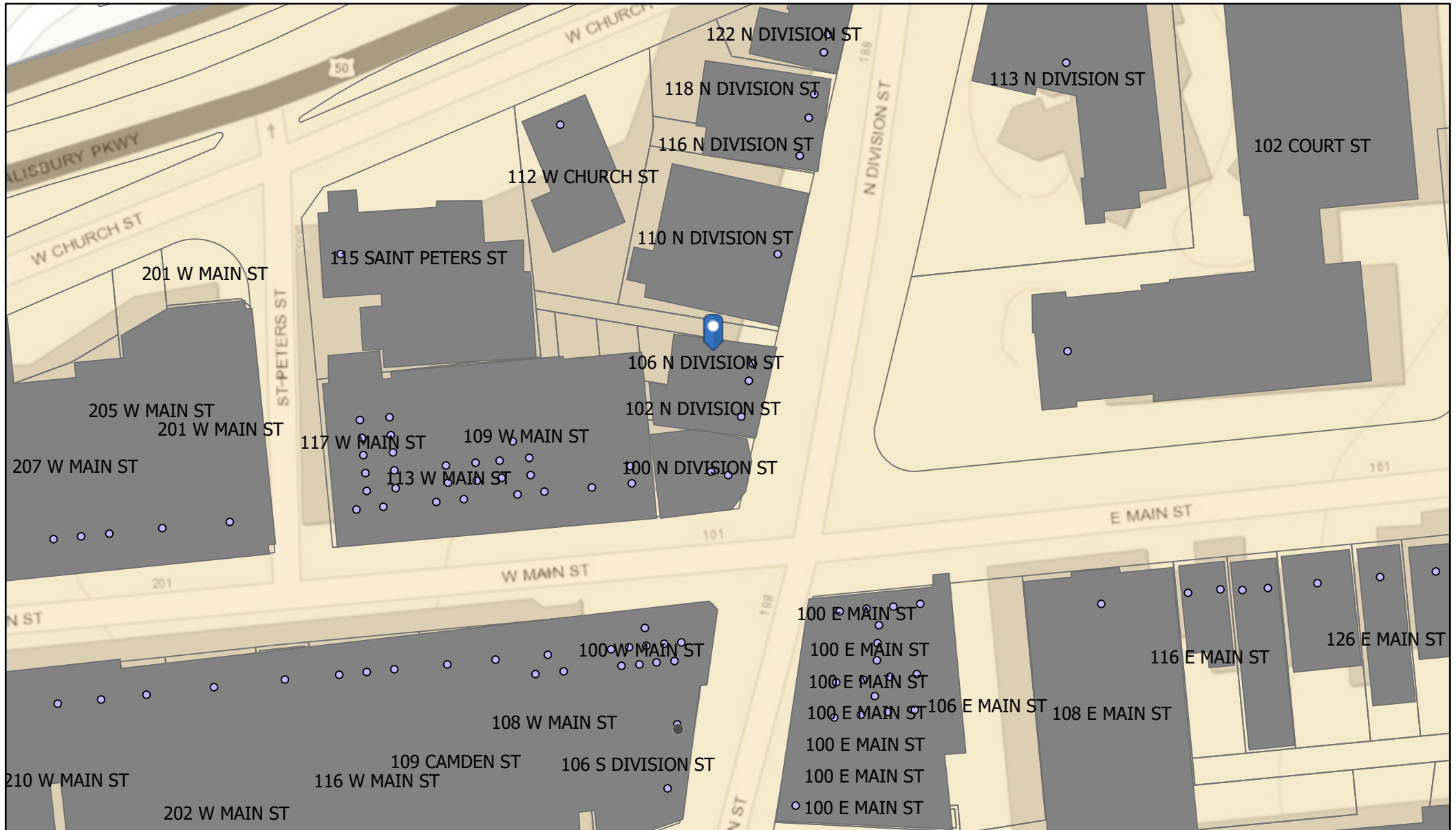
## Real Property Data Search ( w4)

Search Result for WICOMICO COUNTY

<a href="#">View Map</a>	<a href="#">View GroundRent Redemption</a>	<a href="#">View GroundRent Registration</a>
<b>Special Tax Recapture: None</b>		
<b>Account Identifier:</b> District - 09 Account Number - 047069		
Owner Information		
<b>Owner Name:</b>	106 NORTH DIVISION STREET LLC	<b>Use:</b> COMMERCIAL
<b>Mailing Address:</b>	318 W CARROLL ST 2ND FL STE A SOUTH SALISBURY MD 21801-	<b>Principal Residence:</b> NO <b>Deed Reference:</b> /04863/ 00292
Location & Structure Information		
<b>Premises Address:</b>	106 N DIVISION ST SALISBURY 21801-0000	<b>Legal Description:</b> BL-1 L-1 2,160 SQFT 106 N DIVISION ST CITY OF SALIS
<b>Map:</b> 0107	<b>Grid:</b> 0014	<b>Parcel:</b> 1040
<b>Neighborhood:</b> 21003.23	<b>Subdivision:</b> 0000	<b>Section:</b>
<b>Block:</b> 1	<b>Lot:</b> 1	<b>Assessment Year:</b> 2021
<b>Town:</b> SALISBURY		<b>Plat No:</b>
<b>Primary Structure Built</b> 1916		<b>Above Grade Living Area</b> 3,560 SF
<b>Finished Basement Area</b>		<b>Property Land Area</b> 2,160 SF
<b>County Use</b>		
<b>Stories</b>	<b>Basement</b>	<b>Type</b> OFFICE BUILDING
		<b>Exterior</b> /
		<b>Quality</b> C3
		<b>Full/Half Bath</b>
		<b>Garage</b>
<b>Last Notice of Major Improvements</b>		
Value Information		
	<b>Base Value</b>	<b>Value</b>
		As of 01/01/2021
		Phase-in Assessments
		As of 07/01/2020
		As of 07/01/2021
<b>Land:</b>	32,400	32,400
<b>Improvements</b>	63,400	123,400
<b>Total:</b>	95,800	155,800
<b>Preferential Land:</b>	0	0
		95,800
		115,800
Transfer Information		
<b>Seller:</b> HANNON PATRICK J	<b>Date:</b> 05/24/2021	<b>Price:</b> \$135,000
<b>Type:</b> ARMS LENGTH IMPROVED	<b>Deed1:</b> /04863/ 00292	<b>Deed2:</b>
<b>Seller:</b>	<b>Date:</b>	<b>Price:</b> \$0
<b>Type:</b>	<b>Deed1:</b> /00886/ 00136	<b>Deed2:</b>
<b>Seller:</b>	<b>Date:</b>	<b>Price:</b>
<b>Type:</b>	<b>Deed1:</b>	<b>Deed2:</b>
Exemption Information		
<b>Partial Exempt Assessments:</b>	<b>Class</b>	
<b>County:</b>	000	07/01/2020
<b>State:</b>	000	07/01/2021
<b>Municipal:</b>	000	0.00
		0.00
		0.00 0.00
		0.00 0.00
<b>Special Tax Recapture: None</b>		
Homestead Application Information		
<b>Homestead Application Status:</b> No Application		
Homeowners' Tax Credit Application Information		
<b>Homeowners' Tax Credit Application Status:</b> No Application		
<b>Date:</b>		

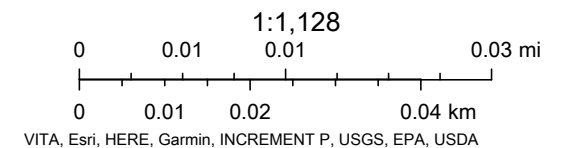
1. This screen allows you to search the Real Property database and display property records.
2. Click [here](#) for a glossary of terms.

# ArcGIS Web Map



6/15/2021, 3:47:11 PM

- Address Points
- Parcels
- Buildings
- Enterprise\_Zone



**From:** [Amanda Pollack](#)  
**To:** [Laura Soper](#)  
**Subject:** RE: Real Property Tax Credit-106 N. Division St.pdf  
**Date:** Thursday, June 17, 2021 6:38:17 PM

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Laura,

The property meets the permit, zoning, building, stormwater and sewer use ordinances.

Please let me know if you have any questions.

Thanks, Amanda

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**From:** Laura Soper  
**Sent:** Tuesday, June 15, 2021 3:56 PM  
**To:** Amanda Pollack <APollack@salisbury.md>; Kay Lundy <klundy@salisbury.md>; Faith Richardson <frichardson@salisbury.md>  
**Subject:** Real Property Tax Credit-106 N. Division St.pdf

I have received a request from 106 North Division Street LLC located at 106 N Division 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 6/22/2021. Your assistance is appreciated. If you have any questions, please let me know.

## Laura Soper

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**From:** Kay Lundy  
**Sent:** Wednesday, June 16, 2021 4:13 PM  
**To:** Laura Soper; Faith Richardson  
**Subject:** RE: Real Property Tax Credit-106 N. Division St.pdf

Laura,

The taxes are paid and the corporation is in good standing.

Thanks  
Kay

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**From:** Laura Soper  
**Sent:** Tuesday, June 15, 2021 3:56 PM  
**To:** Amanda Pollack <APollack@salisbury.md>; Kay Lundy <klundy@salisbury.md>; Faith Richardson <frichardson@salisbury.md>  
**Subject:** Real Property Tax Credit-106 N. Division St.pdf

I have received a request from 106 North Division Street LLC located at 106 N Division 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 6/22/2021. Your assistance is appreciated. If you have any questions, please let me know.

RESOLUTION NO. 3111

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND DECLARING THAT 106 NORTH DIVISION STREET LLC IS ELIGIBLE TO RECEIVE ENTERPRISE ZONE BENEFITS FOR PROPERTY LOCATED AT 106 N DIVISION STREET, SALISBURY MD.

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

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

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

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

WHEREAS, 106 North Division Street 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 106 North Division Street 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 106 N Division 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 106 North Division Street 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 \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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

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

APPROVED by me this  
\_\_\_\_\_ day of \_\_\_\_\_ 2021.

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

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**INTER**

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**OFFICE****MEMO**

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## Department of Finance

**To:** Julia Glanz, City Administrator  
**From:** Keith Cordrey, Director of Finance *KAC*  
**Subject:** DOOI Resolution - Apparatus Replacement – Aerial Ladder  
**Date:** 06/22/21

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Schedule B in the FY 2022 Budget Ordinance includes \$ 1,400,000 in funding for the Apparatus Replacement – Aerial Ladder”. It is anticipated funds may be required prior to the issuance of the budgeted FY2022 Bond. The attached resolution is necessary to comply with the IRS exempt bond guidelines when the City anticipates payment for a project from funds on hand before bonds are issued and reimbursed following issuance.

If you do not have any questions, please forward this to Council for their consideration.

Resolution No. 3112

A RESOLUTION OF CITY OF SALISBURY MAKING A DECLARATION OF OFFICIAL INTENT REGARDING REIMBURSING FROM PROCEEDS OF A FUTURE BORROWING PROJECT EXPENDITURES MADE IN CONNECTION WITH A PROJECT IDENTIFIED AS APARATUS REPLACEMENT – AERIAL LADDER.

RECITALS

WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland (the “City”), is in the process of undertaking a project identified as “Apparatus Replacement – Aerial Ladder” (the “Project”); and

WHEREAS, the City anticipates borrowing money for costs of the Project, such borrowing to be evidenced by one or more series of general obligation bonds or other evidences of indebtedness (collectively, or individually by series, the “Bonds”) to be issued by the City; and

WHEREAS, the City reasonably expects to spend City funds on costs of the Project prior to issuance of the Bonds or any interim financing incurred by the City in anticipation of the Bonds, and (i) to reimburse the City from proceeds of the Bonds for all or a portion of such previously paid costs of the Project, and/or (ii) to use Bonds proceeds to refinance all or a portion of any interim borrowing incurred by the City that is applied to reimburse the City for prior Project expenditures; and

WHEREAS, Section 1.150-2 of the U.S. Treasury Regulations (the “Reimbursement Regulations”) provides that local governments funding “original expenditures” intended to be reimbursed from the proceeds of “obligations” must make a declaration of “official intent” in order to qualify such original expenditures for reimbursement from a “reimbursement bond”, all within the meaning of the Reimbursement Regulations; and

WHEREAS, the City is an “issuer” for purposes of the Reimbursement Regulations and wishes to adopt this Resolution for the purpose of evidencing the clear and official intent of the City to reimburse from reimbursement bond proceeds (meaning the Bonds or any interim financing incurred in anticipation of the Bonds) original expenditures made in connection with the Project.

SECTION 1. NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that:

(a) The Recitals to this Resolution are deemed a substantive part of this Resolution and are incorporated by reference herein, and capitalized terms defined in the Recitals to this Resolution and not otherwise defined herein will have the meanings given to such terms in the Recitals hereto.

(b) The name used for the Project in this Resolution is the name by which such Project is generally identified in the applicable budget materials of the City for the fiscal year beginning

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Underlining : Indicates material added by amendment after introduction  
~~Strike through~~ : Indicates material deleted by amendment after introduction

July 1, 2021 and ending June 30, 2022. It is hereby expressly recognized that expenditures for the Project and/or issuance of any Bonds or interim financing incurred in anticipation of any Bonds may occur in a fiscal year subsequent to fiscal year 2022. References in this Resolution to the Project shall be deemed to (i) be to such Project as it may be referred to by similar but not the exact same names in applicable City budgetary materials, including any capital improvement plan, and (ii) include any changes in the scope of activities of the Project and/or the name of the Project made by the City in accordance with applicable law, including (without limitation) in future fiscal years. References in this Resolution to costs of the Project shall be deemed to be to expenditures that constitute capital expenditures and, to the extent applicable, (i) costs of issuance of any borrowing relating to the Project and (ii) capitalized interest.

SECTION 2. AND BE IT FURTHER RESOLVED that in accordance with the Reimbursement Regulations, the City hereby makes this declaration of its reasonable expectation to expend money on costs of the Project prior to the issuance of the Bonds (or any interim financing incurred in anticipation of the Bonds) and to use proceeds of the Bonds (or of such interim financing), which Bonds and/or interim financing will qualify as a “reimbursement bond” for purposes of the Reimbursement Regulations, to reimburse all or a portion of such original expenditures. This Resolution is intended to be a declaration of official intent within the meaning of the Reimbursement Regulations.

SECTION 3. AND BE IT FURTHER RESOLVED that the maximum principal amount of the Bonds to be issued for the Project (and the maximum principal amount of any interim financing to be incurred by the City in anticipation of the Bonds issued for the Project) is \$1,400,000 each.

SECTION 4. AND BE IT FURTHER RESOLVED that this Resolution shall become effective upon adoption by the Council and approval by the Mayor. Pursuant to Charter Section SC7-46A, this Resolution may not be petitioned to referendum.

[CONTINUED ON FOLLOWING PAGE]

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Underlining : Indicates material added by amendment after introduction  
~~Strike through~~ : Indicates material deleted by amendment after introduction



THIS RESOLUTION was introduced and duly adopted at a meeting of the Council of the  
City of Salisbury held on the \_\_\_\_\_ day of  
\_\_\_\_\_, 2021.

ATTEST:

\_\_\_\_\_  
Kimberly R. Nichols, City Clerk

\_\_\_\_\_  
John R. Heath, President  
Salisbury City Council

APPROVED BY ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021:

\_\_\_\_\_  
Jacob R. Day, Mayor

#222556;58111.043

\_\_\_\_\_  
Underlining : Indicates material added by amendment after introduction  
~~Strike through~~ : Indicates material deleted by amendment after introduction

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**ORDINANCE NO. 2669**

**AN ORDINANCE OF THE CITY OF SALISBURY TO ESTABLISH A PROGRAM TO ENCOURAGE HOTEL AND LARGE SCALE RESIDENTIAL DEVELOPMENT AND REVITALIZATION IN THE DOWNTOWN AREA OF SALISBURY, TO BE KNOWN AS THE HORIZON PROGRAM.**

**WHEREAS**, the City seeks to incentivize the construction and expansion of business interests in and near the Downtown area, specifically the Central Business Zoning District and Riverfront Redevelopment Zoning Districts as adopted via Resolution No. 2600 in the Envision Salisbury Master Plan, in order to increase the amount of economic activity in these areas; and

**WHEREAS**, implementing the Hotel Or Residential Incentive Zone (HORIZON ) Program will encourage financially responsible businesses to construct or expand hotel and residential business interests in these areas, which may further result in positive economic and social effects, including, but not limited to increases in cultural activity opportunities, employment opportunities, and business activities; and

**WHEREAS**, the City through the Department of Infrastructure and 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 granted to developers; and

**WHEREAS**, the City has developed a HORIZON Program Guidelines and Application with specific requirements that shall be monitored and administered by the Department of Infrastructure and Development in order to ensure that all information and submissions are correct and properly considered; and

**WHEREAS**, the Mayor joins with the City Council in recommending the implementation of the HORIZON Program and application process; and

**WHEREAS**, the City's establishment of the HORIZON Program hereunder is authorized by Section 9-324(d) of the Property-Tax Article of the Annotated Code of Maryland.

**NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** Title 3 of the Salisbury City Code, entitled "REVENUE AND FINANCE, be and hereby is amended by adding a new Chapter 3.25, titled "Hotel Or Residential Incentive Zone (HORIZON) Program", as follows:

**Chapter 3.25 Hotel Or Residential Incentive Zone (HORIZON) Program**

**3.25.010 – Definitions**

**In this section, the following words have the following meanings indicated.**

**"Multifamily" has the meaning set forth in Title 17 ZONING, Section 17.04.120**

**"Hotel" has the meaning set forth in Chapter 5.68**

51 A. The HORIZON Program is hereby established for the purpose of accelerating the construction  
52 or expansion of hotel or multifamily residential development in the Central Business Zoning District  
53 and Riverfront Redevelopment Zoning Districts.

54  
55 B. The City Council hereby adopts the HORIZON Program Guidelines and the Application  
56 submitted with this ordinance and attached hereto and incorporated herein as Exhibit A as the initial  
57 approved application and grants administrative powers to the Director of the Department of  
58 Infrastructure and Development to process and monitor submitted applications in conjunction with  
59 the Department of Finance, to make necessary changes to the application for the HORIZON  
60 Program, and to adopt such additional rules and regulations as may be necessary for the proper and  
61 efficient administration of the HORIZON Program.

62  
63 C. An application for the HORIZON Program shall be subject to final approval by a Resolution of  
64 the City Council.

65  
66 D. Upon approval of an application for the HORIZON Program by a Resolution of the City Council,  
67 the Department of Infrastructure and Development shall prepare a HORIZON Agreement for  
68 execution by the applicant and the City.

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70 E. All real property tax credits received through the HORIZON Program shall run with the land  
71 and be payable only to the then current owners of the real property.

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73 F. The HORIZON Program is hereby established for a period of ten years from the date of final  
74 passage of the ordinance. The program shall be reevaluated prior to the end of the third year. The  
75 City Council may approve modifications to the HORIZON Program and suspend or terminate the  
76 continuance of the HORIZON Program at any time by Resolution of the City Council.

77  
78 **BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF**  
79 **SALISBURY, MARYLAND, as follows:**

80 **Section 2.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this  
81 Ordinance shall be deemed independent of all other provisions herein.

82 **Section 3.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section,  
83 paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or  
84 otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to  
85 the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this  
86 Ordinance shall remain and shall be deemed valid and enforceable.

87 **Section 4.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such  
88 recitals were specifically set forth at length in this Section 4.

89 **Section 5.** This Ordinance shall take effect from and after the date of its final passage.  
90

91 **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of  
92 Salisbury held on the \_\_\_\_ day of \_\_\_\_\_, 2021 and thereafter, a statement of the substance of  
93 the Ordinance having been published as required by law, in the meantime, was finally passed by the Council  
94 of the City of Salisbury on the \_\_\_\_ day of \_\_\_\_\_, 2021.

95  
96 ***[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]***

97 ***[SIGNATURES APPEAR ON THE PAGE THAT FOLLOWS]***  
98  
99

100 **ATTEST:**

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104 Kimberly R. Nichols, City Clerk

John R. Heath, City Council President

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106

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108 Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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113 Jacob R. Day, Mayor

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## **HORIZON PROGRAM AGREEMENT**

**THIS HORIZON PROGRAM AGREEMENT** (“Agreement”), is dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the *City of Salisbury, Maryland*, a municipal corporation of the State of Maryland (the “City”), and **NAME**, a Maryland limited liability company (“Name”) (the City and Name are hereinafter referred to collectively as the “Parties”).

### **Recitals**

**WHEREAS**, via Ordinance No. \_\_\_\_ passed on \_\_\_\_, 2021, the City established a program to encourage hotel and large scale residential development and revitalization in the downtown area of Salisbury, known as the HORIZON Program;

**WHEREAS**, Name 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 \_\_\_\_, Grid \_\_\_\_, Parcel \_\_\_\_, and being described as “\_\_\_\_\_”;

**WHEREAS**, Name plans to develop the property by constructing \_\_\_\_\_, which, when complete, will consist of \_\_\_\_\_ (hereinafter referred to as the “Project”);

**WHEREAS**, the Parties acknowledge and agree the Project will have a material impact on the revitalization of Downtown Salisbury by significantly increasing the (hotel or housing) inventory available within Downtown Salisbury;

**WHEREAS**, via Resolution No. \_\_\_\_ passed on \_\_\_\_, 20\_\_, the City authorized Name to utilize the HORIZON Program for Project.

**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 \_\_\_\_\_ and shall continue for a term of twenty (20) (the “Term”). HORIZON Program Agreements are valid for one (1) calendar year from the agreement date. If projects are delayed or the schedule defined in the agreement is not met, then applicants may request a 1-year extension which will be considered by the Mayor.

**2. Dates.**

(a) 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 Name; or, (b) the date this Agreement is executed by the City.

(b) The Building Permit application must be received by the Department of Infrastructure and Development by \_\_\_\_\_, 20\_\_.

(c) Construction will commence no later than \_\_\_\_\_, 20\_\_.

(d) The certificate of occupancy must be received no later than \_\_\_\_\_, 20\_\_.

**3. 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. Name may assign this Agreement and all its rights hereunder to any successor(s)-in-interest of Name with respect to its ownership of, or any of its rights in and to, the 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.

(k) **Indemnity.** Name shall indemnify, defend and save harmless the City and its officers, employees and agents from and against any suits, actions, legal or administrative proceedings, demands, claims, liabilities, fines, penalties, losses, injuries, damages, expenses or costs, including interest and attorneys' fees, in any way connected with any injury to any person or damage to any property or any loss to the City or third parties.

(l) **Unsatisfactory work.** The City shall have the right to refuse tax credits to Name if the City believes the work for development of the Project is unsatisfactory, construction of the Project is not being completed according to the approved HORIZON application or this Agreement, or the increased assessed value of the real property does not meet the eligibility requirements.

**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)  
Jacob R. Day, Mayor

Date: \_\_\_\_\_, \_\_\_\_\_, 20\_\_

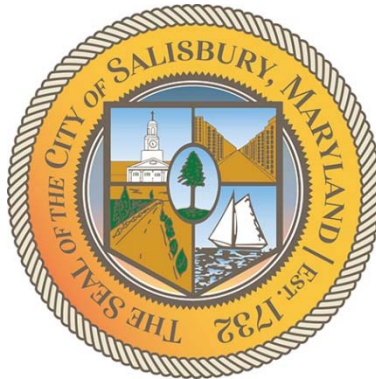
**DEVELOPER:**

**Name**

\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)  
**Printed name and title**

Date: \_\_\_\_\_, \_\_\_\_\_, 20\_\_



# HORIZON Program (Hotel Or Residential Incentive Zone)

## Guidelines and Application

Department of Infrastructure & Development  
Room 202  
125 N. Division Street  
Salisbury, Maryland 21801

Phone: 833-SBY-CITY

June 2021



## **HORIZON Program Guidelines and Application**

The HORIZON Program (the “**Program**”) is a real property tax credit program. 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**), and to increase economic activity in Downtown Salisbury. Additionally, 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 supporting large scale development projects that increase the assessed value of real property in Downtown Salisbury.

### **Eligibility for HORIZON Program Real Property Tax Credit**

A developer (each an “**Applicant**” and collectively the “**Applicants**”) may submit written documentation to the Director of the Department of Infrastructure & Development (“**DID**”) to establish eligibility for a project (a/the “**Project**”) if the Project meets all of the following criteria:

1. The Project must be located within one or more of the following Zoning Districts: Central Business District and/or Riverfront Redevelopment Districts, and must constitute new development, rehabilitation or revitalization of an existing building or property.
2. The Project must serve primarily as a multifamily residential development or a hotel as defined in the City’s Municipal Code.
3. Upon completion, the Project must increase the assessed value of the real property by at least \$10,000,000.00. If the master plan of the Project is “phased”, each phase must meet the eligibility requirements independently.
4. The Project must comply with all applicable Zoning and Building Codes.
5. The Project must be consistent with the Envision Salisbury Master Plan adopted via Resolution No. 2600, dated March 17, 2016, and the adopted Comprehensive Plan of the City of Salisbury.
6. The Project must comply with all requirements of the Salisbury Historic District Commission (**Exhibit 2**).
7. The Project must not have received a certificate of occupancy before July 1, 2021.

### **General Conditions**

1. Applicants must comply with all Program guidelines and conditions.
2. Applicants must comply with the “Envision Salisbury Master Plan” proposal for the area in which the Project is located.
3. Applicants must be the owner of the Project to apply for the Program.

4. Properties and owners must be current on all City, County, State, and Federal property and income taxes and remain current throughout the tax credit term. Failure to comply will result in suspension of the tax credit during any period of non-compliance and, at the discretion of the City Council, may result in termination of the HORIZON Program Agreement (the “**HORIZON Agreement**”) and the forfeiture of tax credits for the remainder of the HORIZON Program Tax Credit Schedule (the “**Tax Credit Schedule**”). Reimbursement of tax credits received during any period of non-compliance will be required and, to the fullest extent permitted by law, shall be a lien on the property for which the HORIZON Program Tax Credit (the “**Tax Credit**”) was requested.
5. Building permits for a Project must be received within the schedule defined in the HORIZON Agreement.
6. All construction work for a Project must comply with applicable laws, ordinances, building codes and zoning ordinances.
7. The HORIZON Program Application (the “**Application**”) must include drawings of the proposed Project made to the specifications required by the Director of DID which demonstrate what the Project will look like when completed and show it will be in full compliance with the requirements of the Program. Upon completion of the Project, the Applicant will obtain an appraisal of the real property from a qualified professional appraiser approved by the City of Salisbury.
8. The Applicant shall not deviate from the Project described in the Application or change the intended use of the property (e.g. change the Project from development of residential units to development of retail space); doing so without the prior approval of the Director of DID and the Council will disqualify the Project for the Tax Credit.
9. It is expressly agreed that Applicants shall be solely responsible for all safety conditions and compliance with all safety regulations, building codes, ordinances, and other regulations applicable to any Project for which the Tax Credit is sought under the Program.
10. It is expressly understood and agreed by each Applicant, that Applicants waive and release the City of Salisbury, its agents, employees, officers and/or directors from any and all liability for or arising from any property damage, personal injury, or other loss related in any way to the Project, the development and/or construction thereof, the Program or any Tax Credit(s) granted to an Applicant thereunder.
11. Each Applicant shall be responsible for hiring and executing an agreement with a general contractor, licensed to operate in the State of Maryland, for the construction of the Project. Each Applicant shall ensure that, in connection with the construction of the Project, its general contractor provides insurance coverage for comprehensive public liability, property damage liability, builder’s risk, and workers’ compensation.
12. Each Applicant must certify that: there are no hazardous materials located on the property at which the Project is constructed; the Applicant will not cause or allow any hazardous materials to be placed on the property at which the Project is constructed; and, the property

at which the Project is constructed is in compliance with all applicable Federal, State, and local environmental laws and regulations.

13. Applicants shall maintain or cause to be maintained both property and commercial general liability coverage for the Project and the property at which the Project is constructed, both during and after the construction/rehabilitation related to the Program.
14. If a Project is located in the 100-year floodplain, as designated by Federal Emergency Management Agency (FEMA), the Applicant shall be required to provide evidence of flood insurance coverage.
15. Following the completion of the Project, the Applicant shall ensure that all necessary approvals for the commencement of the activities that will take place on the property, including all applicable permits and licenses, have been obtained.
16. Having met all other requirements to receive a building permit, the Applicant shall commence construction of the Project no later than one (1) year after the date that the City Council formally adopts the Resolution approving the Application for the Project or pursuant the schedule as set forth in the HORIZON Agreement.
17. An Applicant must secure the certificate of occupancy for the Project no later than two (2) years after the date the building permit is issued for construction of the Project or pursuant to the schedule as defined in the HORIZON Agreement.
18. An Applicant shall maintain the property and all improvements of the Project, and otherwise comply with the Municipal Code of the City of Salisbury.
19. An Applicant shall authorize the City of Salisbury to promote any Project approved for the Program. Such promotion by the City of Salisbury may include, but is not limited to displaying a sign at the Project site during and after construction, and using photographs and descriptions of the Project in City of Salisbury materials and press releases.
20. The City of Salisbury shall have the right to refuse and/or rescind the Tax Credits granted for the Project if the City believes the work is unsatisfactory, the construction of the Project is not being completed according to the approved Application or the executed HORIZON Agreement, or the increased assessed value of the real property following completion of Project construction does not meet the eligibility requirements.
21. If the property at which a Project approved for the Program is constructed (or planned for construction) changes ownership and becomes tax exempt during the term of the program, then 50% of the Tax Credits received prior to such change of ownership shall be reimbursed to the City of Salisbury within thirty (30) days from the date of settlement on the change of ownership. Reimbursement of Tax Credits received will be required, and, to the fullest extent permitted by law, shall be a lien on the property for which the Tax Credit was requested.

## **Tax Credit Schedule**

1. The Tax Credits will be calculated on the increased assessed value of the real property after completion of the Project. The full amount of taxes shall be collected on the assessed value of the property prior to beginning the Project (including demolition of pre-existing improvements), or the assessed value of the real property without improvements, whichever will result in the higher tax to be paid. Taxes shall also be collected on the increased assessed value, described above, minus any applicable credit throughout the duration of the twenty (20) year term.
2. The Tax Credit may be combined with other local, state, and federal incentive programs. The Tax Credit will not supersede state or federal incentive programs and will be applied after those incentive programs have been applied to the real property tax bill.
3. Once a certificate of occupancy for the Project has been issued and the real property, at which the Project is constructed, has been appraised and its increased assessed value established, the Tax Credit will take effect during the next fiscal year tax billing cycle.
4. Tax Credit in each year will be that percentage set forth in the table below of the excess taxes due over and above the assessed value of the subject real property prior to commencing construction of the Project (including demolition of pre-existing improvements), or the assessed value of the real property without improvements, whichever will result in the higher tax to be paid. The Tax Credit schedule is as follows:

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

## **Tax Credit Process**

- 1) Tax credits will be applied to City of Salisbury the annual real property tax bills issued for the property at which the Project is located. Remaining balances will be due as scheduled.
- 2) Properties must be current on all City, County, State, and Federal property and income taxes. All Tax Credits will be suspended unless and until the property's owners and tenants are current on all City, County and State property and income taxes.
- 3) Once initiated, the Tax Credit will run, in accordance with schedule set forth above, for the entire term of twenty (20) years unless the owner of the property becomes delinquent in paying the aforementioned taxes or fails to meet the eligibility requirements or general conditions of the Program.

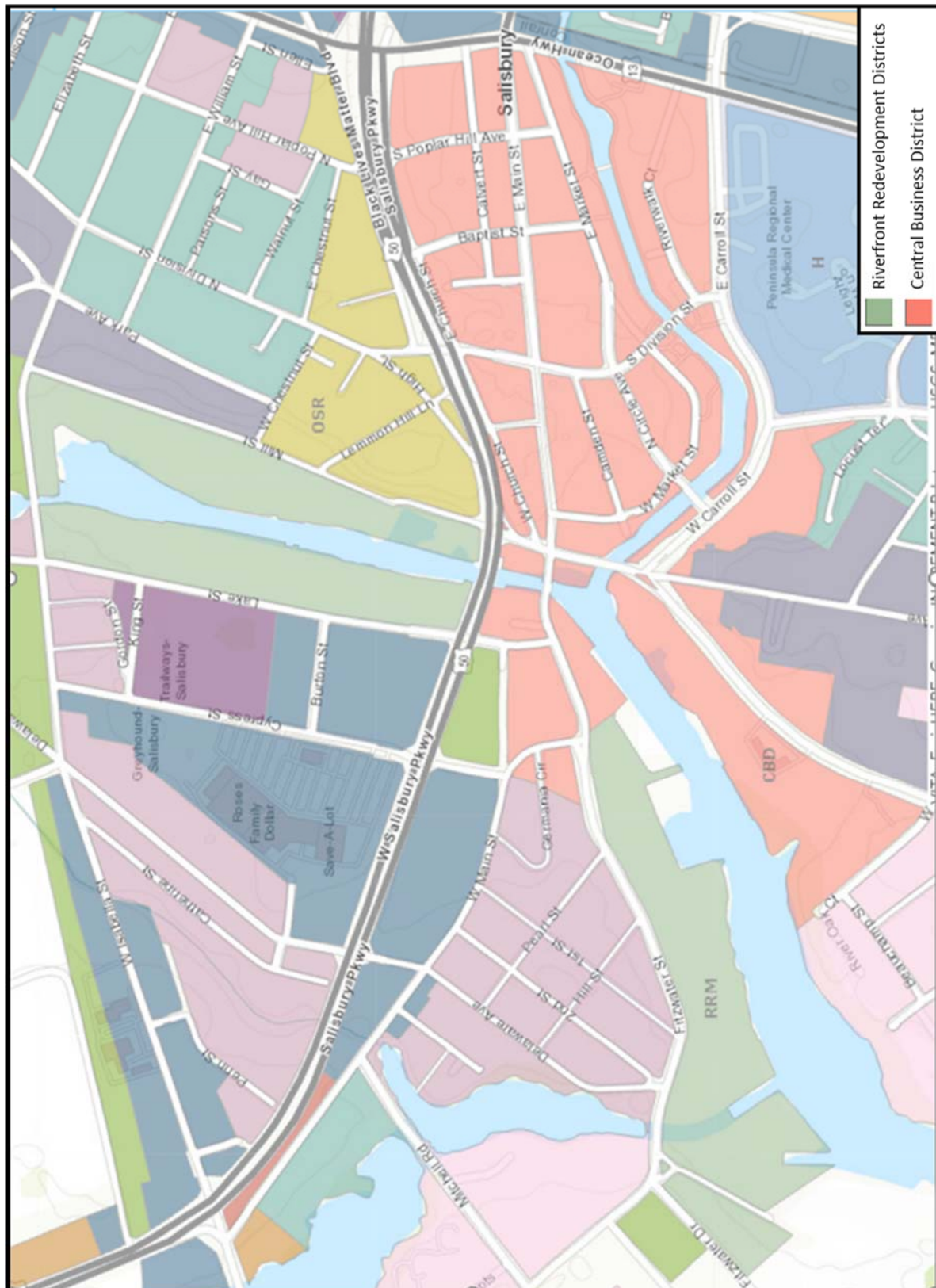
## **Requirements for Application for HORIZON Tax Credit**

1. Interested Applicants must meet with DID staff to review the Program and specifications for the Applicant's Project.
2. Applications are due **(i)** after preliminary site plan approval for the Project by DID and **(ii)** prior to issuance of grading/site permits for the Project.
3. One copy of the completed Application shall be submitted in paper form to DID and an electronic copy shall also be emailed to [infdev@salisbury.md](mailto:infdev@salisbury.md).
4. Portions of an Applicant's Application may be kept confidential by completing a Nondisclosure Agreement upon request and providing specific reasons for the request. Notwithstanding any term to the contrary set forth herein, Applicants expressly acknowledge and agree that any Maryland public information act requests may result in information marked "confidential" by the Applicant being disclosed by the City unless such information is prohibited from disclosure (or is permitted for non-disclosure) under Maryland's Public Information Act.
5. **IMPORTANT NOTE:** Applications for the Program must be received, reviewed and confirmed as complete by DID **PRIOR** to the issuance of a certificate of occupancy for the Project.
6. The Director of DID will issue an official Notice of Pre-Approval in the form of a Letter of Intent to be signed by the Applicant. Included with the Letter of Intent will be a preliminary summary of the Tax Credit for the Project and a proposed draft HORIZON Agreement for the Project. Applicants must agree to the negotiated terms within thirty (30) days of receipt of these documents.
7. Once the Letter of Intent has been signed, the Application, and recommendation will be forwarded to the Mayor for the Mayor's pre-approval.
8. Once the Mayor has pre-approved the Project for Program Tax Credit, a Resolution supporting the Tax Credit and proposed HORIZON Agreement for the Project will be presented at a City Council Work Session and subsequently (if approved) the Resolution will be sent to a City Council Legislative Session for City Council approval.
9. DID staff will finalize the HORIZON Agreement for Project, which must be executed by the Applicant within fifteen (15) days of the Applicant's receipt thereof. A HORIZON Agreement shall be valid for one (1) calendar year from the date the HORIZON Agreement is fully executed by the Applicant and the City of Salisbury. If construction of the Project is delayed or the schedule set forth in the HORIZON Agreement is not met, then the Applicants may request a one (1) year extension, and approval of such request shall be considered by the Mayor.
10. Applicants shall agree to adhere to the development schedules included in their Application, in the HORIZON Agreement, and (if applicable) any Land Disposition Agreements/Contracts approved by the City.

## **Exhibit 1**

### **City of Salisbury Zoning Map**

The legend includes the Central Business District and the Riverfront Redevelopment Districts.







**City of Salisbury**  
**HORIZON Program Application**

**General Information**

Application Date: \_\_\_\_\_

Legal Name of Business:

\_\_\_\_\_

Address of Property:

\_\_\_\_\_

Legal Description of Property:

\_\_\_\_\_

Name of Business Owner:

\_\_\_\_\_

Address of Business Owner:

\_\_\_\_\_

Business Owner Telephone #: \_\_\_\_\_

Business Owner E-mail address: \_\_\_\_\_

Name of Property Owner:

\_\_\_\_\_

Address of Property Owner:

\_\_\_\_\_

Property Owner Telephone #: \_\_\_\_\_

Property Owner E-mail address: \_\_\_\_\_



### **Property Assessment Overview**

Current Assessed Value of the Real Property \$ \_\_\_\_\_

Current City of Salisbury Real Property Taxes \$ \_\_\_\_\_

Completed Project Appraised (Assessed) Value of the Property \$ \_\_\_\_\_

### **Project Narrative**

1) Brief history of the site / building:

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2) General description of the proposed project:

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3) How does this project align with the HORIZON program goals?

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4) Does this project conform to the City's adopted Downtown Master Plan? How does this project meet the goals of the Downtown Master Plan?

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5) Use Mix: Type of Use / Percentages:

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6) Property ownership structure:

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7) Do you intend to “Phase” the project? If so, please provide phasing details.

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8) Description of on- or off-site or associated additional projects, if applicable.

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9) Description of public or tenant accessible amenities, if applicable.

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Check any other incentives / programs that have been applied for.

- ☐ Enterprise Zone
- ☐ Rise Zone
- ☐ Comprehensive Connection Charge Waivers
- ☐ Revolving Loan Program
- ☐ Community Legacy Grant
- ☐ SD/SGIF Grant
- ☐ Other City/County/State/Federal Grant
- ☐ Other Tax incentives
- ☐ Energy use incentives
- ☐ Other Public investment

I, the Applicant, have read and understand the HORIZON Program guidelines, and I agree to abide by the general conditions as set forth in this application. I further understand that if I am awarded the real property tax credit, I will be required to enter into a HORIZON Program Agreement with the City of Salisbury.

Signature of Business Owner: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

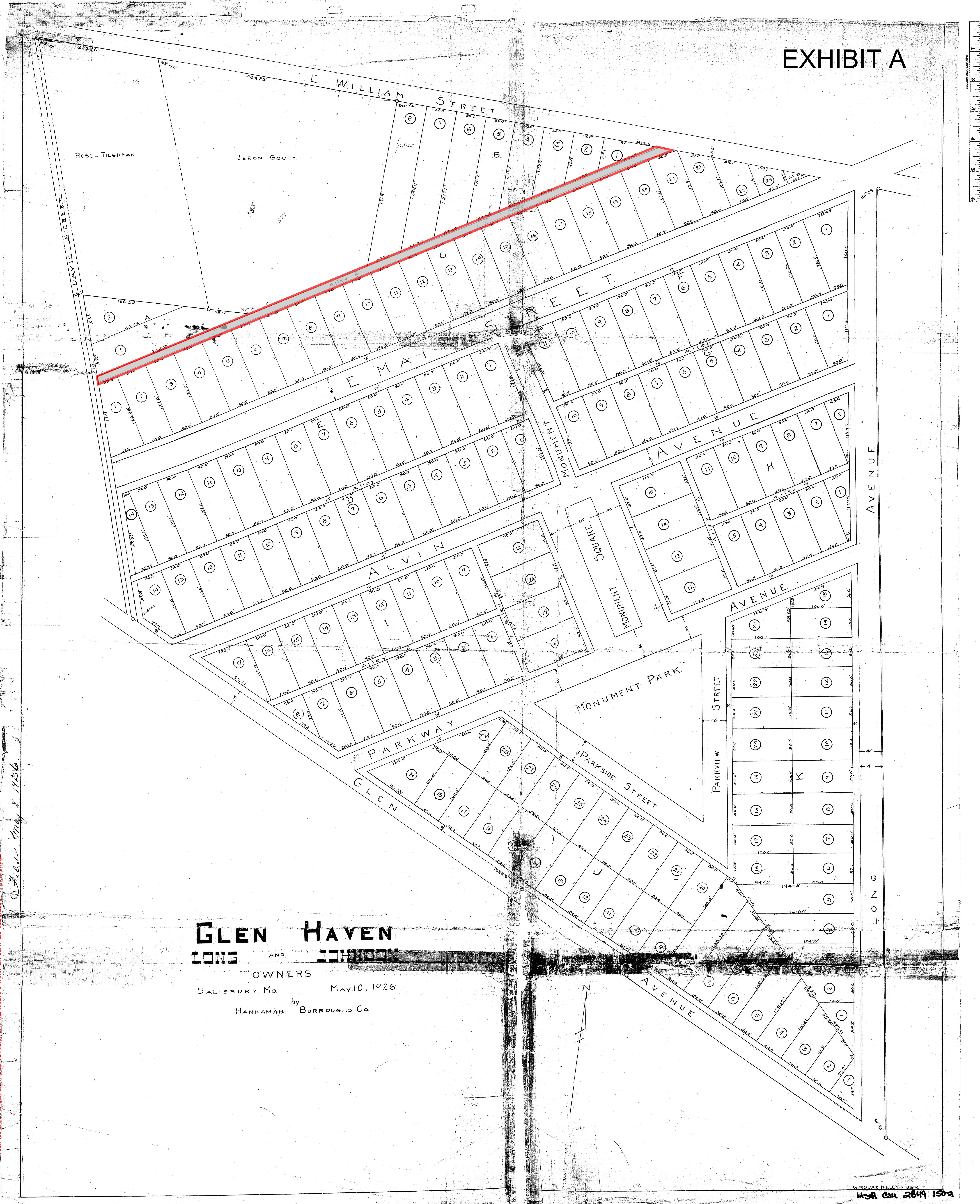
Signature of Property Owner (if different from Business Owner):

Signature of Property Owner: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_



# EXHIBIT A



**GLEN HAVEN**  
**LONG AND JOHNSON**  
OWNERS  
SALISBURY, Md. May 10, 1926  
by  
HANNAMAN BURROUGHS CO.



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**AN ORDINANCE OF THE CITY OF SALISBURY FOR THE  
ABANDONMENT OF AN ALLEY LOCATED BETWEEN EAST  
WILLIAM STREET AND DAVIS STREET, NEAR EAST MAIN  
STREET.**

**WHEREAS**, SC11-2 of the Charter of the City of Salisbury (the “**Charter**”) grants the City of Salisbury (the “**City**”) exclusive authority over all public ways located within the municipal boundaries of the City; and

**WHEREAS**, pursuant to the authority granted the City under SC11-2 of the Charter, the City deems it necessary and appropriate to abandon that certain alley located within the municipal boundaries of the City and between East William Street and Davis Street, near East Main Street (the “**Alley**”); and

**WHEREAS**, the Alley intended for abandonment by the City pursuant to this Ordinance is more particularly depicted as all that area highlighted on the Glen Haven Plat, dated May 10, 1926 and prepared by Hannaman Burroughs Co., attached hereto and incorporated herein as **Exhibit A**; and

**WHEREAS**, the City's abandonment of the Alley hereunder will not affect any public access to public roadways; additionally, a portion of the Alley has been non-accessible for public ingress and egress for several years preceding the date hereof; and, furthermore, any use of the Alley has been primarily limited to properties located nearby to the Alley; and

**WHEREAS**, the City Department of Infrastructure and Development has provided prior written notice to all owners of property abutting the Alley informing each of them of the City's intention to abandon the Alley and of each of their respective rights and responsibilities as to such portion(s) of the Alley abutting their respective property following the City's abandonment of the Alley as intended by this Ordinance, and all such property owners have responded to the City Department of Infrastructure and Development indicating their consent to the City's closure and abandonment of the Alley; and,

**WHEREAS**, the City Department of Infrastructure and Development requests abandonment of the Alley to ensure the owners of property abutting the Alley can obtain ownership of such applicable portion(s) of the Alley, if such owners so desire; and,

**WHEREAS**, upon the adoption of this Ordinance, the City Department of Infrastructure and Development will provide written notice to all owners of property abutting the Alley informing each of them that, pursuant to the City's abandonment of the Alley hereunder, the City shall not be responsible for any maintenance or costs associated with the Alley as of the date this Ordinance takes effect as set forth herein below.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND** that, pursuant to the authority granted the City under SC11-2 of the Charter, the Alley located within the municipal boundaries of the City and between East William Street and Davis Street, near East Main Street, as more particularly depicted by the area highlighted on the aforesaid plat attached hereto and incorporated herein as **Exhibit A**, is hereby closed and deemed abandoned, in its entirety, by the City.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND,** as follows:

**Section 2.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 3.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid,

unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

**Section 4.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 4.

**Section 5.** This Ordinance shall take effect from and after the date of its final passage.

**Section 6.** Upon its final passage, this Ordinance shall not be codified.

**THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 and thereafter, a statement of the substance of the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**ATTEST:**

\_\_\_\_\_  
**Kimberly R. Nichols, City Clerk**

\_\_\_\_\_  
**John R. Heath, City Council President**

Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
**Jacob R. Day, Mayor**

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**ORDINANCE NO. 2671**

**AN ORDINANCE OF THE CITY OF SALISBURY APPROVING A  
BUDGET AMENDMENT OF THE FY2021 GENERAL FUND TO  
APPROPRIATE FUNDS FOR ATTORNEY FEES.**

**WHEREAS**, the City of Salisbury has projected the amount of Attorney Fees expected for FY2021;  
and

**WHEREAS**, the City of Salisbury's projection indicates an increase of \$15,000 in FY2021 appropriations is needed for Account No. 17000-513301 City Attorney, in order to meet the projected amount of Attorney Fees for the remainder of FY 2021; and

**WHEREAS**, the increase to appropriations for Account No. 17000-513301 City Attorney, as provided herein, 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows

**Section 1.** The City of Salisbury's Fiscal Year 2021 General Fund Budget be and is hereby amended as follows:

- (a) Increase Current Year Surplus, Account No. 01000-469810, by \$15,000.00.
- (b) Increase City Attorney, Account No. 17000-513301, by \$15,000.00.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 2.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 3.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

**Section 4.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 4.

**Section 5.** 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 Mayor and Council of the City of Salisbury held on the 21<sup>st</sup> day of June, 2021 and thereafter, a statement of the substance of the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of the City of Salisbury on the \_\_\_\_ day of \_\_\_\_\_, 2021.

**ATTEST:**

\_\_\_\_\_  
**Kimberly R. Nichols, City Clerk**

\_\_\_\_\_  
**John R. Heath, City Council President**

Approved by me, this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
**Jacob R. Day, Mayor**

# Finance Department / HCDD

## MEMO

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**To: Keith Cordrey**

**From: Deborah Stam**

**Subject: Ordinance – Budget Amendment – Increasing the Amount in the Reserve for Replacement (RFR) Expenditure Account for Mitchell Landing Apartments**

**Date: June 15, 2021**

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As you are aware, a serious maintenance issue was recently uncovered at Mitchell Landing Apartments, Bldg. 139, and all the tenants in that building had to be relocated to other local apartment complexes. This maintenance issue has created unexpected bills that will need to be paid initially by the City, but which will be reimbursable through the Mitchell Landing Reserve for Replacement (RFR) account. We have an existing Mitchell Landing project account (76300) which had been created previously to address a different repair issue, but now we need to increase the operating budget in that account in order to pay these new invoices that will be coming in.

We have obtained an authorization memo from Catherine Spencer at DHCD / CDA pre-approving reimbursement of up to \$20,000 from the Mitchell Landing RFR account for this issue. A copy of that authorization memo is attached.

Also attached is an Ordinance approving a budget amendment of the grant fund to increase the revenue and expenditure amounts in that Mitchell Landing project account by \$20,000.

Please forward this information to the City Council to be placed on their agenda for discussion at the June 21, 2021 work session, first reading at the June 28, 2021 legislative session, and second reading / final passage at the July 12, 2021 legislative session. Thank you for your assistance.



Deborah J. Stam  
Grants Manager  
Finance Department / HCDD

#### Attachments

CC: Olga Butar  
Kim Nichols  
Diane Carter  
Michael Sullivan  
Ron Strickler



LARRY HOGAN  
Governor

BOYD K. RUTHERFORD  
Lt. Governor

KENNETH C. HOLT  
Secretary



May 17, 2021

Ms. Deborah J. Stam, Grants Manager  
Finance Department / HCDD  
City of Salisbury  
207 West Main Street, Suite 102  
Salisbury, Maryland 21801

Dear Ms. Stam:

This letter serves as the Division of Credit Assurance's authorization for the Michell Landing reserve for replacement funds being used for tenant relocations expenses resulting from damage to building 139. The division authorizes up to \$20,000 to be draw from the reserve account for this purpose.

If you have any questions please do not hesitate to contact me at [catherine.spencer@maryland.gov](mailto:catherine.spencer@maryland.gov).

Sincerely,

*Catherine Spencer*

Catherine Spencer  
Senior Portfolio Manager



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**AN ORDINANCE OF THE CITY OF SALISBURY TO AUTHORIZE THE FINANCE DEPARTMENT TO ESTABLISH A PROJECT EXPENDITURE ACCOUNT IN ORDER TO PAY THOSE INVOICES FOR MITCHELL LANDING APARTMENTS THAT WILL BE REIMBURSABLE THROUGH THE MITCHELL LANDING RESERVE FOR REPLACEMENT (RFR) ACCOUNT.**

**WHEREAS**, the City of Salisbury owns the property known as Mitchell Landing Apartments; and

**WHEREAS**, Mitchell Landing Apartments was constructed with Partnership Rental Housing Program (PRHP) funding received from the Maryland Department of Housing & Community Development / Community Development Administration (DHCD / CDA); and,

**WHEREAS**, the DHCD / CDA regulations require that all PRHP-funded projects establish and maintain a Reserve for Replacement (RFR) account in order to fund ongoing maintenance and repair costs and to enable the project to be self-sustaining; and

**WHEREAS**, a maintenance issue has recently been discovered at Mitchell Landing Apartments in Bldg. 139 which will require some invoices to be paid by the City and then reimbursed from the RFR account; and

**WHEREAS,** DHCD / CDA has provided written authorization for at least \$20,000 in reimbursement from the RFR account for approved expenditures relating to this maintenance issue; and

**WHEREAS**, the appropriations necessary to execute the establishment of this project expenditure account 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 ENACTED AND ORDAINED BY THE COUNCIL  
OF THE CITY OF SALISBURY, MARYLAND, as follows:**

**Section 1.** The City authorizes the establishment of the Mitchell Landing project expenditure account in order to pay those invoices that will be reimbursed through the Mitchell Landing RFR account.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND,** as follows:

**Section 2.** The City of Salisbury's Grant Fund Budget be and hereby is amended as follows:

- (a) Increase DHCD Revenue Account  
No. 12800-423300-76300 by \$20,000.
- (b) Increase Mitchell Landing RFR Operating Expense Account

No. 12800-546006-76300 by \$20,000.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF  
THE CITY OF SALISBURY, MARYLAND, as follows:**

**Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

**Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 5.

**Section 6.** 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 Mayor and Council of the City of Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 and thereafter, a statement of the substance of the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**ATTEST:**

\_\_\_\_\_  
**Kimberly R. Nichols, City Clerk**

\_\_\_\_\_  
**John R. Heath, City Council President**

Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
**Jacob R. Day, Mayor**



## MEMORANDUM

**To:** Andy Kitzrow, Deputy City Administrator  
Julia Glanz, City Administrator

**From:** Laura Soper, Director of Business Development

**Subject:** Main Street Improvement Grant

**Date:** 6/14/21

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Attached is an Ordinance to accept funding from the Maryland Department of Housing and Community Development, Technical Assistance Grant (TAG) Main Street Improvement program (MIP). The purpose of the TAG Grants is to enable eligible nonprofit organizations, local governments, local development corporations and local development agencies to obtain or provide advisory, consultative, training and educational services to initiate or enhance community development and commercial revitalization activities to bring reinvestment and economic revitalization to their communities.

This funding, in the amount of \$20,000, will be utilized to provide funding for the 2021 National Folk Festival and to fund stipends for the various coordinators associated with the Festival, their work expenses, and some marketing expenses for the event.

Included is the proposed Grant Agreement, which includes the proposed budget and uses.

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**ORDINANCE No. 2673**

**AN ORDINANCE OF THE CITY OF SALISBURY TO AUTHORIZE THE MAYOR TO ENTER INTO A CONTRACT WITH THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD) FOR THE PURPOSE OF ACCEPTING GRANT FUNDS IN THE AMOUNT OF \$20,000.00, AND TO APPROVE A BUDGET AMENDMENT TO THE GRANT FUND TO APPROPRIATE THESE FUNDS FOR ELIGIBLE EXPENSES ASSOCIATED WITH THE 2021 NATIONAL FOLK FESTIVAL.**

**WHEREAS**, the City of Salisbury (the “City”) submitted an application, dated April 29, 2020, to the Department of Housing and Community Development (“DHCD”), a principal department of the State of Maryland, for a grant under the Operating Assistance Grant Program to provide the City financial assistance in carrying out community development activities, specifically assistance in conducting the National Folk Festival to be held in the City; and

**WHEREAS**, in response to the application submitted by the City as aforesaid, DHCD has awarded the City grant funds in a total amount not to exceed \$20,000.00, which said grant funds shall be disbursed to the City in accordance with, and subject to, the terms of the Grant Agreement, by and between DHCD and the City, attached hereto and incorporated herein as Exhibit A; 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 Council of the City of Salisbury (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 City Council.

**NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** Mayor Jacob R. Day is hereby authorized to execute, on behalf of the City of Salisbury, the Grant Agreement with the Department of Housing and Community Development, attached hereto and incorporated herein as Exhibit A, for the City’s acceptance of grant funds in a total amount not to exceed \$20,000.00 subject to the terms set forth therein.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 2.** The City of Salisbury’s Grant Fund Budget be and hereby is amended as follows:

(a) Increase DHCD Revenue Account No. 10500–423601–XXXXX by \$20,000.00.

(b) Increase Operating Expense Account No. 10500–546006–XXXXX by \$20,000.00.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

**Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 5.

**Section 6.** 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 Mayor and Council of the City of Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 and thereafter, a statement of the substance of the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**ATTEST:**

\_\_\_\_\_  
**Kimberly R. Nichols, City Clerk**

\_\_\_\_\_  
**John R. Heath, City Council President**

Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
**Jacob R. Day, Mayor**

## OPERATING ASSISTANCE GRANT PROGRAM GRANT AGREEMENT

This Grant Agreement (this "**Agreement**") entered into as of the Effective Date (as hereinafter defined), by and between the DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, a principal department of the State of Maryland ("**DHCD**") and CITY OF SALISBURY (the "**Grantee**").

### RECITALS

WHEREAS, Grantee has applied to DHCD for a grant under the Operating Assistance Grant Program (the "**Program**"). The Program includes (i) Operating and Technical Assistance Grants ("**TAG Grants**"), pursuant to §4-211 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended and the Code of Maryland Regulations ("**COMAR**") 05.11.01; and (ii) Main Street Improvement Program Grants ("**MIP Grants**"), pursuant to §6-102 of the Housing and Community Development Article of the Annotated Code of Maryland, COMAR 5.13.02, and DHCD's general authority to administer and implement programs, pursuant to §2-102 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended. The provisions of the Annotated Code of Maryland and the related regulations are referred to herein collectively as the "**Act**."

WHEREAS, the purpose of the TAG Grants is to enable eligible nonprofit organizations, local governments, local development corporations and local development agencies to obtain or provide advisory, consultative, training and educational services to initiate or enhance community development and commercial revitalization activities to bring reinvestment and economic revitalization to their communities.

WHEREAS, the purpose of the MIP Grants is to promote the development and revitalization of business districts in local jurisdictions through a grant to a local government designated as a Main Street Maryland community, a Baltimore Main Street, or a nonprofit Main Street organization, with the support of the local government.

WHEREAS, in reliance upon the representations and certifications contained in the Grantee's application for grant assistance dated April 29, 2020 (the "**Application**"), DHCD has approved an award of **TAG Grant** funds to the Grantee, to be expended by the Grantee in accordance with the requirements and provisions of this Agreement, the Program, DHCD's Program Policy Guide, as amended from time to time (the "**Guide**"), and the Act.

IN CONSIDERATION of the mutual promises and covenants contained in this Agreement, DHCD and Grantee agree as follows:

1. Specific Purpose. The purpose of this Agreement is to provide the Grantee with financial assistance to pay for the activities (the "**Project Activities**") set forth in Exhibit A attached hereto (the "**Project**").
2. Grant Amount.
  - (a) DHCD agrees to provide Grantee with a grant from the Program in a total amount not to exceed Twenty Thousand and 00/100 Dollars (\$20,000) (the "**Grant**").

(b) The Grant shall be disbursed in accordance with Section 6 of this Agreement and as detailed in the budget (the “**Budget**”) set forth and attached as Exhibit B of this Agreement.

3. Grantee Contribution.

The Secretary of DHCD has made a determination to waive the Grantee contribution pursuant to COMAR 5.11.01.11(D) and COMAR 5.13.02.12.

4. Grant Period.

The Grant shall be disbursed over a one year term (the “**Grant Period**”). The Grant Period is deemed to commence on the Effective Date.

5. Expenditure of the Grant. Grantee agrees to use the Grant funds only for the approved Project. All expenses to be paid with the Grant shall be paid in a manner satisfactory to DHCD, prior to the expiration of the Grant Period. The Grantee shall expend the Grant only for the categories of activities set forth in the Budget. Grantee shall use the Grant in accordance with the provisions of the Act, the Guide, and this Agreement.

6. Disbursement of the Grant.

(a) Requests for disbursement of the Grant shall be in writing upon forms provided by DHCD.

(b) Requests for disbursement of Grant funds must be accompanied by a statement that the representations, certifications, and other matters contained in the Application and this Agreement are and remain true and complete in all material respects. Disbursement requests may seek funds to pay for certain projected costs anticipated to be incurred as well as reimbursement for costs incurred on or after the date of the Application. DHCD shall have the right at any time to request that the Grantee provide additional supporting documentation with any request for disbursement.

(c) All disbursements of the Grant are subject to the availability of funds under the Program during the Grant Period.

(d) Disbursements of the Grant may be made at any time after the Effective Date, subject however to any special conditions set forth in Exhibit C.

(e) Disbursements of the Grant shall be made on a quarterly basis. DHCD reserves the right to make disbursements contingent upon completion by Grantee of the Project Activities, in a manner acceptable to DHCD. Grantee shall indicate on each periodic disbursement request all costs for which payment is requested.

(f) DHCD may make disbursements of the Grant more frequently than quarterly if DHCD, in its sole discretion, determines that a disbursement would materially benefit the Project and help the Grantee accomplish the Project Activities.

(g) DHCD reserves the right not to disburse all or any portion of the Grant if in the sole discretion of DHCD: (i) Grantee has failed to supply any material fact in a disbursement request; (ii) Grantee's disbursement request, when combined with all prior disbursement requests, exceeds the total



amount of the Grant; (iii) Grantee is in default under this Agreement; or (iv) the Project is not performing to the satisfaction of DHCD.

(h) If Grantee is not a local government or jurisdiction, Grantee may use a portion of the Grant funds for reimbursement of indirect costs. The indirect cost reimbursement rate is: (i) equal to the indirect cost reimbursement rate Grantee receives from a federal agency or other State of Maryland ("State") agency, if applicable; or (ii) up to 10% of the costs that would be considered modified total direct costs under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards adopted by the Office of Management and Budget in 2 C.F.R. 200 and any related guidance published by the Office of Management and Budget. The indirect cost reimbursement rate applies to the portion of the Grant, if any, that is for the provision of services.

7. Default and Remedies.

(a) A default shall consist of a breach of any covenant, agreement, term or certification in this Agreement, including a determination by DHCD that (i) the Grantee has expended all or any portion of the Grant for purposes other than as set forth herein; (ii) the Grantee has expended all or any portion of the Grant other than in accordance with the permitted categories of activities and matching source of funds set forth in the Budget; or (iii) the Grantee is not completing the Project Activities to the satisfaction of DHCD.

(b) Upon the occurrence of default, DHCD in its sole discretion may:

- (i) Reduce or withhold payment in response to Grantee's next disbursement request;
- (ii) Demand repayment from Grantee; and
- (iii) Terminate this Agreement.

(c) In addition to the rights and remedies contained in this Agreement, DHCD may at any time proceed to protect and enforce all rights available to DHCD by suit in equity, action at law, or by any other appropriate proceedings, all of which rights and remedies shall survive termination of this Agreement. Furthermore, no failure or delay of DHCD to exercise any right, power, or remedy consequent upon a default shall constitute a waiver of any such term, condition, covenant, certification, or agreement, or preclude DHCD from exercising any such right, power, or remedy at any later time or times.

8. General Requirements of Records and Reports; Inspection.

(a) Records and Inspection. Grantee shall maintain accurate financial records in a form acceptable to DHCD of all transactions relating to the receipt and expenditure of the Grant. Grantee shall maintain and shall make the financial records, books, accounts, other relevant records, administrative offices and personnel, whether full-time, part-time, consultants or volunteers, available to DHCD during reasonable work hours upon request during the term of this Agreement and for a period of not less than 5 years following termination of this Agreement.

(b) Quarterly Progress Reports. During the term of this Agreement, Grantee shall provide DHCD with quarterly progress reports on each of January 1, April 1, July 1, and October 1, in a form to be provided by DHCD, which shall contain information about the progress of the Grantee in relation to the Project, and Grantee's organizational goals, problems encountered, expenditures made against the

Budget, and a projection of revenues required for the next quarter, including a disbursement request, if applicable. Grantee shall ensure that each quarterly progress report is received by DHCD within 10 working days of the close of the quarterly period.

(c) Final Report. Within 45 days after the expiration of the Grant Period, the Grantee shall submit to DHCD a final report (the “**Final Report**”) which describes the progress made in fulfilling the purposes of the Grant, any problems encountered in fulfilling these purposes, as well as any other relevant factors related to the Grant as determined by DHCD. The Final Report shall also contain an expense and revenue summary of the Project, certified by the highest fiscal officer of the Grantee, which lists all expenditures relating to the Grant. In addition, any completed studies, surveys, reports or other work products, if applicable, shall be attached to the Final Report.

(d) Audit. Grantee shall provide DHCD with:

(i) An annual financial statement within 30 days of the end of the fiscal year of Grantee, and

(ii) Copies of any audits performed on Grantee's records by any other entities.

9. Modifications.

(a) DHCD will consider reasonable modifications to the Project. Prior to a request being made to DHCD, the board of directors or other governing body of the Grantee must first approve the modification.

(b) Upon approval of the modification by the board of directors or other governing body of the Grantee, Grantee shall submit a written request for modification of the Project to DHCD. DHCD shall determine, in its sole discretion, whether to allow the requested modification.

10. Assistance from DHCD. In carrying out the Project Activities, Grantee agrees to accept assistance from DHCD or DHCD's designee if DHCD deems it necessary.

11. Grantee's Certifications. Grantee certifies to DHCD that:

(a) Grantee is either a local jurisdiction or local government, a local development agency, a local development corporation or a nonprofit organization duly organized and validly existing under the laws of the State, is qualified to do business in the State, and has all requisite power and authority to enter into and carry out the transactions contemplated by this Agreement;

(b) This Agreement has been duly authorized, executed and delivered by the Grantee in such manner and form as to comply with all applicable laws to make this Agreement the valid and legally binding act and agreement of Grantee;

(c) (i) A conflict of interest occurs when an employee, director, officer, board member, volunteer, or elected official (each, an “**Interested Person**”), who has a direct or indirect interest in the Grant or receives any benefit from the Grant, is involved in the selection, award or administration of the Grant;

(ii) If the use of any of the Grant funds could lead to a conflict of interest, any Interested Person must disclose his or her interest to the Grantee and, in connection with the proposed use giving rise to the conflict of interest, not participate in any aspect of the decision-making process regarding how the Grant funds will be allocated or expended, including discussion and debate as well as actual voting;

(iii) Grantee shall establish and follow a written conflict of interest policy (the “**Conflict of Interest Policy**”) that, at a minimum, must include the requirement set forth in Section 11(c)(ii). Grantee shall obtain signatures from each Interested Person on an annual basis that confirms that such Interested Person has read, understands, and will follow Grantee’s Conflict of Interest Policy;

(d) The representations, statements and other matters contained in the Application are and remain true and complete in all material respects;

(e) If applicable, Grantee has obtained, or has reasonable assurances, that it will obtain, all federal, State and local government approvals, permits and reviews which may be required to accomplish the Project Activities and its goals under the Project;

(f) Grantee is not affiliated with or controlled by a for-profit organization;

(g) Grantee will comply with all applicable federal, State, and local laws, and all regulations, ordinances, and all terms and conditions established by DHCD or the State with respect to the operation of the Project;

(h) Grantee shall not use, and shall not permit others to use, the Grant funds to engage in political or legislative activities in violation of I.R.C. §501(c)(3);

(i) Grantee has complied or shall comply with all special conditions which may be imposed by DHCD; and

(j) Grantee is not subject to any current or pending bankruptcy proceeding, criminal investigation, or civil investigation by any federal, State, or local government agency for alleged violation of laws of regulations enforced by such agencies.

## 12. Nondiscrimination and Drug and Alcohol Free Workplace.

(a) Grantee may not discriminate against and hereby certifies that it prohibits discrimination against and will not discriminate against any person on the basis of race, color, religion, national origin, sex, sexual orientation, marital status, physical or mental disability, or age in any aspect of its projects, programs or activities.

(b) Grantee shall comply with applicable federal, State, and local laws regarding discrimination and equal opportunity in employment, housing, and credit practices, including:

(i) Titles VI and VII of the Civil Rights Act of 1964, as amended, to the end that no person shall experience employment discrimination or be excluded from participation in, or be denied the benefits of, any program or activity for which Awardee receives financial or technical assistance from DHCD, on the grounds of race, color, or national original;

(ii) Title VIII of the Civil Rights Act of 1968, as amended, to the end that no person shall be denied fair housing;

(iii) Title 20 of the State Government Article, Annotated Code of Maryland, as amended, which establishes the Maryland Commission on Civil Rights and prohibits discrimination in employment and residential housing practices;

(iv) DHCD's Minority Business Enterprise Program, as amended;

(v) The Governor's Executive Order 01.01.1989.18 relating to Drug and Alcohol Free Workplaces, and any DHCD or State regulations adopted or to be adopted to carry out the requirements of that Order;

(vi) The Fair Housing Amendments Act of 1988, as amended to the end that it shall be unlawful to discriminate based on race, color, religion, sex, handicap, familial status, or national origin, in connection with rental, sales or financing of residential real property (as those terms are defined in the Fair Housing Amendments Act);

(vii) The Americans with Disabilities Act of 1990, as amended;

(viii) State of Maryland Governor's Code of Fair Employment Practices (as set forth in Executive Order 01.01.2007.16);

(ix) The Secretary's Policy Statement on Equal Opportunity, to the end that DHCD shall not knowingly approve grants of financial or technical assistance to recipients who are engaged in discriminatory employment practices; and

(x) All other related applicable Federal and State laws, regulations, and rules.

13. Fair Practices Certification.

(a) The Grantee certifies that it prohibits discrimination on the basis of:

(i) Political or religious opinion or affiliation, marital status, color, race, sex, age, creed or national origin; or

(ii) The physical or mental disability of a qualified individual with a disability.

(b) Grantee agrees that it will not engage in the forms of discrimination set forth in this Agreement or prohibited by law.

(c) Upon the request of DHCD, Grantee shall submit to DHCD information relating to its operations, with regard to political or religious opinion or affiliation, marital status, physical or mental disability, race, color, creed, sex, age, or national origin on a form to be prescribed by DHCD.

14. Indemnification.

(a) Except in the event of DHCD's negligence or willful misconduct or the negligence or willful misconduct of DHCD's officers, agents, employees, successors and assigns, Grantee (i) releases

DHCD, its agents, employees, and the Program from, (ii) agrees that DHCD, its agents, employees and the Program shall not have any liability for, and (iii) agrees to protect, indemnify and save harmless DHCD, its agents, employees and the Program from and against any and all liabilities, suits, actions, claims, demands, losses, expenses and costs of every kind and nature, including a reasonable attorney's fee, incurred by, or asserted or imposed against, DHCD, its agents, employees, or the Program, as a result of or in connection with the Project. All money expended by DHCD, its agents, employees, or the Program as a result of such liabilities, suits, actions, claims, demands, losses, expenses or costs, together with interest rate not to exceed the maximum interest rate permitted by law, shall constitute an indebtedness of Grantee and shall be immediately and without notice due and payable by Grantee to DHCD.

(b) If Grantee is a local government or jurisdiction, the indemnification and release set forth herein applies only to the extent permitted by the laws of the State, and is subject to appropriations as well as the notice requirements and damages limitations stated in the Local Government Tort Claims Act, Md. Code Ann., Cts. & Jud. Proc. § 5-301, et seq. (2013 Repl. Vol.) (the “LGTC”) and Md. Code Ann., Cts. & Jud. Proc. §§5-509 and 5-5A-02 (2013 Repl. Vol.), all as amended from time to time.

15. Notice Regarding Disclosure of Information Relating to the Project. DHCD intends to make available to the public certain information regarding the Project and the Grantee. In addition, DHCD may be required to disclose information about the Project to the Board of Public Works and the Maryland General Assembly and may desire to disclose such information to other State officials or their staff, local government officials or their staff, and other lenders and funding sources. DHCD is also required to disclose information in response to a request for information made pursuant to §4-101 *et seq.* of the Public Information Act of the General Provisions Article, Annotated Code of Maryland (the “PIA”). Information that may be disclosed to any of the foregoing, including the public, may include, among other things, the name of the Grantee; the name, location, and description of the Project; the date and amount of financial assistance awarded by DHCD; the terms of the financial assistance; use of funds; information contained in the Application; a copy of the Application; and the sources, amounts and terms of other funding used to complete the Project, including capital contributions from the Grantee. Certain information may be exempt from disclosure under the PIA. Requests for disclosure of information made pursuant to the PIA are evaluated on an individual basis by DHCD. If Grantee believes that any of the information it has provided to DHCD is exempt from disclosure, Grantee should attach a statement to this Agreement describing the information it believes to be exempt from disclosure and provide an explanation therefor. DHCD cannot guarantee non-disclosure of such information but may consider Grantee’s statement when responding to a request made pursuant to the PIA.

16. Notices. All notices, requests, approvals and consents of any kind made pursuant to this Agreement shall be in writing. Any such communication, unless otherwise specified, shall be deemed effective as of the date it is mailed, postage prepaid, addressed as follows:

(a) Communications to DHCD shall be mailed to:

Department of Housing and Community Development  
2 North Charles Street, Suite 450  
Baltimore, Maryland 21201  
Attn: Christine McPherson, Project Manager

- (b) Communication to Grantee shall be mailed to:

City of Salisbury  
110 N. Division Street  
Salisbury, MD 21801  
Attn: Laura Soper, Director of Business Development

17. Amendment. This Agreement or any part hereof, may be amended from time to time only by a written instrument executed by both of the parties.

18. Assignment. No right, benefit or advantage inuring to the Grantee and no burden imposed on Grantee under this Agreement may be assigned without the prior written approval of DHCD.

19. Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State without regard to conflict of laws provisions.

20. Effective Date. This Agreement is effective as of the date of its execution by DHCD (the “Effective Date”).

21. Execution. This Agreement and any amendments thereto may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement or amendment and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement or amendment and of signature pages by facsimile or by electronic transmission shall constitute effective execution and delivery of this Agreement or amendment as to the parties and may be used in lieu of the original Agreement or amendment for all purposes. Signatures of the parties transmitted by facsimile or electronic transmission shall be deemed to be their original signatures for all purposes.

22. **CONFESSION OF JUDGMENT. IF THE PRINCIPAL AMOUNT OF THIS AGREEMENT, ANY INSTALLMENT OF INTEREST OR PRINCIPAL, OR ANY OTHER PAYMENT DUE UNDER THIS AGREEMENT IS NOT PAID WHEN DUE, WHETHER BY MATURITY, ACCELERATION OR OTHERWISE, EACH OBLIGOR WHO SIGNS THIS INSTRUMENT HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR CLERK OF ANY COURT OF RECORD IN THE UNITED STATES OR ELSEWHERE TO APPEAR FOR AND, WITH OR WITHOUT DECLARATION FILED, CONFESS JUDGMENT AGAINST IT AND IN FAVOR OF THE HOLDER OF THIS AGREEMENT, AT ANY TIME, WITHOUT A PRIOR HEARING, AND IN THE AMOUNT OF THE OUTSTANDING PRINCIPAL BALANCE OF THIS AGREEMENT, ALL ACCRUED AND UNPAID INTEREST, OUTSTANDING FEES AND LATE CHARGES, AND ALL OTHER AMOUNTS PAYABLE TO THE HOLDER UNDER THE TERMS OF THIS AGREEMENT, INCLUDING COSTS OF SUIT AND REASONABLE ATTORNEYS' FEES INCURRED AS A RESULT OF, RELATED TO, OR IN CONNECTION WITH ANY DEFAULT UNDER THE AGREEMENT AND ANY EFFORTS TO COLLECT ANY AMOUNT DUE UNDER THE AGREEMENT OR ANY JUDGMENTS ENTERED THEREON. THE AUTHORITY AND POWER TO APPEAR FOR AND ENTER JUDGMENT AGAINST ANY OBLIGOR ON THIS AGREEMENT SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF OR BY ANY IMPERFECT EXERCISE THEREOF; SUCH AUTHORITY MAY BE EXERCISED ON ONE OR MORE OCCASIONS OR FROM TIME TO TIME IN THE SAME OR DIFFERENT JURISDICTION AS OFTEN AS HOLDER SHALL DEEM NECESSARY**

**AND DESIRABLE, FOR ALL OF WHICH THIS AGREEMENT SHALL BE SUFFICIENT WARRANT; IF ENFORCEMENT OF THIS AGREEMENT RESULTS IN HOLDER OBTAINING A MONEY JUDGMENT AGAINST ANY OBLIGOR ON THIS AGREEMENT, HOLDER'S RIGHT TO APPEAR AND CONFESS JUDGMENT FOR AMOUNTS DUE, INCLUDING THE PAYMENT AND REIMBURSEMENT OF ATTORNEYS' FEES AND COSTS ARISING AFTER THE ENTRY OF JUDGMENT (INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES AND COSTS INCURRED TO COLLECT THE JUDGMENT OR LIQUIDATE AND COLLECT ANY COLLATERAL PLEDGED IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER GRANT DOCUMENTS) SHALL NOT BE EXTINGUISHED BY OR MERGED INTO ANY SUCH JUDGMENT BUT SHALL SURVIVE THE JUDGMENT AS A CLAIM AGAINST ANY SUCH OBLIGOR AND ANY SUCH COLLATERAL.**

**EACH OBLIGOR ON THIS AGREEMENT HEREBY WAIVES AND RELEASES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ALL PROCEDURAL ERRORS AND ALL RIGHTS OF EXEMPTION, APPEAL, STAY OF EXECUTION, INQUISITION, AND EXTENSION UPON ANY LEVY ON REAL ESTATE OR PERSONAL PROPERTY TO WHICH SUCH OBLIGOR MAY OTHERWISE BE ENTITLED UNDER THE LAWS OF THE UNITED STATES OF AMERICA OR OF ANY STATE OR POSSESSION OF THE UNITED STATES OF AMERICA NOW IN FORCE AND WHICH MAY HEREINAFTER BE ENACTED.**

**THIS SECTION 22 SHALL NOT APPLY TO LOCAL GOVERNMENTS OR JURISDICTIONS.**

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IN WITNESS WHEREOF, the parties hereto have executed this document with the specific intention of creating a document under seal.

WITNESS/ATTEST:

CITY OF SALISBURY

\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)

Name: Mr. Jacob Day

Title: Mayor

DEPARTMENT OF HOUSING AND  
COMMUNITY DEVELOPMENT

\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)

Carol Gilbert, Assistant Secretary  
Division of Neighborhood Revitalization

\_\_\_\_\_  
Effective Date

Approved for form  
and legal sufficiency

\_\_\_\_\_  
Assistant Attorney General

Exhibit A - Description of the Project Activities

Exhibit B - Project Budget

Exhibit C - Special Conditions



**EXHIBIT A****OPERATING ASSISTANCE GRANT PROGRAM****SCOPE OF SERVICES**

As more fully described in Grantee's application for funds  
dated April 29, 2020

GRANTEE: City of Salisbury

PROJECT ADDRESS: 110 N. Division Street, Salisbury, MD 21801

GRANT AMOUNT: \$20,000

USE OF FUNDS: Funds will be used to support cost associated with staff and program expenses for the 80<sup>th</sup> National Folk Festival.

**OTHER CONTRIBUTION(S)**

<u>Source of Funds</u>	Amount	Value Derivation
City of Salisbury	\$789,200	Cash

**EXHIBIT B****OPERATING ASSISTANCE GRANT PROGRAM****PROJECT BUDGET**

<b>USES OF FUNDS</b>	<b>DHCD</b>	<b>Grantee</b>	<b>Other</b>	<b>Name of Other Sources</b>	<b>TOTALS</b>
Office Supplies	\$1,000	\$0	\$0		\$1,000
Volunteer Coordinator	\$3,500	\$0	\$0		\$3,500
Food Vendor Coordinator	\$4,500	\$0	\$0		\$4,500
Food Vendor Assistances – 4 (\$750 each)	\$3,000	\$0	\$0		\$3,000
Transportation Coordinator	\$1,500	\$0	\$0		\$1,500
School Shows Coordinator	\$1,000	\$0	\$0		\$1,000
Coordinator Supplies	\$500	\$0	\$0		\$500
Social Media Marketing	2,300	\$0	\$0		\$2,300
Print Marketing	\$1,100	\$0	\$0		\$1,100
Website Maintenance Fees	\$1,600	\$0	\$0		1,600
National Folk Festival: Staff and Program Costs	\$0	\$570,000	\$0		\$570,000
National Folk Festival: Licensing Fees & Expenses	\$0	\$160,000	\$0		\$160,000
City of Salisbury: Main Street Manager Salary & Benefits	\$0	\$59,200	\$0		\$59,200
<b>TOTALS</b>	<b>\$20,000</b>	<b>\$789,200</b>	<b>\$0</b>		<b>\$809,200</b>

**EXHIBIT C**

**OPERATING ASSISTANCE GRANT PROGRAM**

**SPECIAL CONDITIONS**

## MEMORANDUM

**To:** Julia Glanz, City Administrator  
**From:** John W. Tull, Fire Chief  
**Subject:** Budget Amendment – COVID-19 Expenses  
**Date:** June 3, 2021

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As you are aware, on March 13, 2020, the President of the United States declared that the ongoing Coronavirus Disease 2019 (COVID-19) pandemic was of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories and the District of Columbia pursuant to Section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Since then, the City has incurred substantial expenses preparing for and responding to the COVID-19 pandemic. Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials may be reimbursed under Category B of the Federal Emergency Management Agency's (FEMA) Public Assistance program at a 75 percent federal cost share.

With this in mind, the City has submitted an additional project application to FEMA seeking reimbursement for incurred expenses during the timeframe of July 1, 2020 through December 31, 2020. FEMA has approved our project application and will fund our reimbursement request at a rate of 100 percent.

Attached you will find an Ordinance requesting the approval of a budget amendment to the grant fund for the purpose of accepting funds from the Federal Emergency Management Agency (FEMA) in the amount of \$12,708.50.

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

May 12, 2021

Mr. John Tull  
Fire Chief  
Salisbury  
325 Cypress St  
Salisbury MD 21801-4060

Re: **Project Approval – PW#166**  
(Grants Portal Project #175506 – COVID-19 Project 3)  
Salisbury (FIPS# 045-69925-00)  
COVID-19 Disaster (FEMA-4491-DRMD) – Public Assistance CFDA# 97.036

Dear Mr. Tull:

The Federal Emergency Management Agency (FEMA) has reviewed and approved the enclosed Project Worksheet PW#166 for reimbursement of response and recovery costs resulting from the COVID-19 Disaster. The reimbursement for this grant is the 100% Federal Share of the project's Eligible Costs. Payment in the amount of **\$12,708.50** is being processed, and should be received within four to six weeks.

PW#	Grants Portal #	Eligible Costs	Reimbursement
166	175506	\$ 12,708.50	\$ 12,708.50

In accordance with 44 CFR § 206.206 (enclosed), which governs the Public Assistance appeal process, you have 60 days from the date of receipt of this letter to appeal any action related to this disaster. Any appeal of a FEMA decision should be submitted through the MEMA Public Assistance office with supporting justification.

Thank you for your hard work throughout the COVID-19 Disaster response and recovery. If you have any questions regarding this project or its payment, please contact me at 410-517-3625.

Sincerely,

**John  
Harding, Jr.**

John Harding, Jr.

Public Assistance Grants Administrator

Digitally signed by John Harding, Jr.  
DN: cn=John Harding, Jr., o=US,  
ou=Maryland Emergency Management  
Agency, ou=Public Assistance,  
email=John.Harding@Maryland.gov  
Date: 2021.05.12 23:28:57 -0400

djn  
2 enclosures

cc: Dave Shipley, Director, Wicomico County Emergency Management Agency

DR-4491

COVID-19 Disaster

**Department of Homeland Security  
Federal Emergency Management Agency**

## General Info

<b>Project #</b>	175506	<b>PW #</b>	166	<b>Project Type</b>	Work Completed / Fully Documented
<b>Project Category</b>	B - Emergency Protective Measures			<b>Applicant</b>	Salisbury, City of (045-69925-00)
<b>Project Title</b>	Salisbury COVID-19 Project 3			<b>Event</b>	4491DR-MD (4491DR)
<b>Project Size</b>	Small			<b>Declaration Date</b>	3/26/2020
<b>Activity Completion Date</b>	9/26/2020			<b>Incident Start Date</b>	1/20/2020
<b>Process Step</b>	Obligated			<b>Incident End Date</b>	Ongoing

## Damage Description and Dimensions

The Disaster # 4491DR, which occurred between 01/20/2020 and *Ongoing*, caused:

### Damage # 445005; Emergency Protective Measures (Damage for Project [175506] Salisbury COVID-19 Project 3)

During the incident period of 1/20/2020 through Ongoing, COVID-19 created an immediate threat to the health and safety of the general public requiring emergency response and protective measures.

- Provided Provision of Supplies and Commodities for preventing the spread of COVID-19 at City of Salisbury from 7/1/2020 to 12/31/2020.
- Provided Medical Care and Transport for assisting EMS units for COVID-19 patients at City of Salisbury from 7/1/2020 to 12/31/2020.

## Final Scope

### 445005 Damage for Project [175506] Salisbury COVID-19 Project 3

Work Completed

In response to the COVID-19 Public Health Emergency, the applicant utilized force account equipment and materials in taking the Emergency Protective Measures for the City of Salisbury.

All work and costs in this project fall between 07/01/20 and 12/31/2020.

#### City of Salisbury

A. Purchase and distribution of Personal Protective Equipment (PPE), hand sanitizer, disinfectant deodorizer, antimicrobial hand soap, electric fog atomizer sprayer, Pulse oximeters, Infrared thermometers, and disinfectant wipes to help reduce and eliminate the threat to staff from COVID-19.

B. Additional fire apparatus and equipment to assist EMS units with transporting patients with COVID-19 or suspected of having COVID-19.

Work Completed Total

1. Force Account Materials: \$6,137.00
2. Force Account Equipment: 110 Units, 70.5 Hours = \$6,571.50

Work Completed Total \$ 12,708.50

**Project Notes:**

1. Scope and cost were developed based on applicant cost summaries and certification included in the Schedule EZ.
2. Applicant has requested complete removal of the Force Account Labor costs. *See Approval to remove ineligible costs.pdf; 4491DR-MD City of Salisbury #175506 RFJ-PRJ-46898.msg*
3. FEMA will not approve Public Assistance that duplicates funding or assistance provided by another federal agency, including the U.S. Department of Health and Human Services or Centers for Disease Control and Prevention.
4. FEMA will only reimburse for PPE/medical supplies and equipment provided to and used by Applicants and essential workers as necessary to prevent the spread of infection as directed by public health officials, not to exceed the duration of the HHS Public Health Emergency Declaration for COVID-19.
5. Disinfection work consisted of using CDC approved methods and disinfectants, such as hand cleaning with wipes. No run-off was associated with this work.

## Cost

Code	Quantity	Unit	Total Cost	Section
9009 (Material)	1.00	Lump Sum	\$6,137.00	Completed
9008 (Equipment)	1.00	Lump Sum	\$6,571.50	Completed

CRC Gross Cost \$12,708.50

Total Insurance Reductions \$0.00

CRC Net Cost \$12,708.50

Federal Share (100.00%) \$12,708.50

Non-Federal Share (0.00%) \$0.00



## Award Information

### Version Information

Version #	Eligibility Status	Current Location	Bundle Number	Project Amount	Cost Share	Federal Share Obligated	Date Obligated
0	Eligible	Awarded	PA-03-MD-4491-PW-00166(290)	\$12,708.50	100 %	\$12,708.50	5/3/2021

### Drawdown History

EMMIE Drawdown Status As of Date	Obligation Number	Expenditure Number	Expended Date	Expended Amount
No Records				

## Subgrant Conditions

- As described in Title 2 Code of Federal Regulations (C.F.R.) § 200.333, financial records, supporting documents, statistical records and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three (3) years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. Exceptions are stated in 2 C.F.R. §200.333(a) – (f)(1) and (2). All records relative to this project are subject to examination and audit by the State, FEMA and the Comptroller General of the United States and must reflect work related to disaster-specific costs.
- The Recipient must submit its certification of the subrecipient's completion of all of its small projects and compliance with all environmental and historic preservation requirements within 180 days of the applicant's completion of its last small project, or the latest approved deadline, whichever is sooner.
- When any individual item of equipment purchased with PA funding is no longer needed, or a residual inventory of unused supplies exceeding \$5,000 remains, the subrecipient must follow the disposition requirements in Title 2 Code of Federal Regulations (C.F.R.) § 200.313-314.
- FEMA will not approve PA funding for medical care costs if they are covered by another source, including private insurance, Medicare, Medicaid, or a pre-existing private payment agreement. The Applicant must provide documentation verifying that insurance coverage or any other source of funding, including private insurance, Medicaid, or Medicare, has been pursued or does not exist for the costs associated with emergency medical care and emergency medical evacuations.
- The terms of the FEMA-State Agreement are incorporated by reference into this project under the Public Assistance award and the applicant must comply with all applicable laws, regulations, policy, and guidance. This includes, among others, the Robert T. Stafford Disaster Relief and Emergency Assistance Act; Title 44 of the Code of Federal Regulations; FEMA Policy No. 104-009-2, Public Assistance Program and Policy Guide; and other applicable FEMA policy and guidance.
- The DHS Standard Terms and Conditions in effect as of the declaration date of this emergency declarations or major disaster, as applicable, are incorporated by reference into this project under the Public Assistance grant, which flow down from the Recipient to subrecipients unless a particular term or condition indicates otherwise.
- The Uniform Administrative Requirements, Cost Principles, and Audit Requirements set forth at Title 2 Code of Federal Regulations (C.F.R.) Part 200 apply to this project award under the Public Assistance grant, which flow down from the Recipient to all subrecipients unless a particular section of 2 C.F.R. Part 200, the FEMA-State Agreement, or the terms and conditions of this project award indicate otherwise. See 2 C.F.R. §§ 200.101 and 110.
- The subrecipient must submit a written request through the Recipient to FEMA before it makes a change to the approved scope of work in this project. If the subrecipient commences work associated with a change before FEMA approves the change, it will jeopardize financial assistance for this project. See FEMA Policy No. 104-009-2, Public Assistance Program and Policy Guide.
- Pursuant to section 312 of the Stafford Act, 42 U.S.C. 5155, FEMA is prohibited from providing financial assistance to any entity that receives assistance from another program, insurance, or any other source for the same work. The subrecipient agrees to repay all duplicated assistance to FEMA if they receive assistance for the same work from another Federal agency, insurance, or any other source. If an subrecipient receives funding from another federal program for the same purpose, it must notify FEMA through the Recipient and return any duplicated funding.

## Insurance

### Additional Information

04/12/2021

Per the Deduction Section of the Streamlined Application, the Applicant is confirming that they do not have insurance for the

activities identified in Section II of the Streamline Application Project worksheet. Further, Section II of the Streamlined Application Project, the Applicant has confirmed that a reasonable effort to recover insurance proceeds that they are entitled to receive from their insurer(s) has been taken.

This declaration is specific for the cost associated with the actions taken to protect the public health and safety of the general population from the COVID-19 Pandemic. No insurance proceeds are anticipated for these costs.

If in the event any part or all costs are paid by an insurance policy, a duplication of benefits from insurance will occur. Applicant must notify grantee and FEMA of such recoveries and the Sub-Grant award amount must be reduced by actual insurance proceeds.

FEMA requires the Applicant to take reasonable efforts to pursue claims to recover insurance proceeds that it is entitled to receive from its insurer(s). In the event that any insurance proceeds are received for these expenses, those proceeds must be reduced from FEMA Public Assistance funding to ensure no duplication of benefits has occurred.

FEMA insurance requirements are specific to permanent work to replace, restore, repair, reconstruct, or construct a facility. No insurance requirements are mandated for Category B emergency work.

Wil Notto, PA Insurance Specialist, CRC East

## O&M Requirements

There are no Obtain and Maintain Requirements on **Salisbury COVID-19 Project 3**.

## Environmental Historical Preservation

Is this project compliant with EHP laws, regulations, and executive orders?

**Yes**

*This project is not a major federal action affecting the environment per Section 316 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5159. Additionally, in accordance with 36 CFR § 800.12(d) and 44 CFR § Part 9.5(c) (1), this project is exempt from NHPA, EO 11988, and EO 11990 reviews and the project is not an action that affects listed species and/or designated critical habitat, if such were present. In accordance with 3.2.A.2.a of the FEMA Instruction 108-1-1, this is a STATEX action and no documentation is required.*

## Final Reviews

### Final Review

**Reviewed By** Faul, Amanda M.

**Reviewed On** 04/13/2021 10:50 AM CDT

#### Review Comments

*No comments available for the Final Review step*

### Recipient Review

**Reviewed By** Bender, Sara

**Reviewed On** 04/13/2021 11:15 AM CDT

#### Review Comments

*No comments available for the Recipient Review step*

## Project Signatures

**Signed By** Tull, John

**Signed On** 04/26/2021

## 44 CFR § 206.206 Appeals

An eligible applicant, subgrantee, or grantee may appeal any determination previously made related to an application for or the provision of Federal assistance according to the procedures below.

- (a) **Format and Content.** The applicant or subgrantee will make the appeal in writing through the grantee to the Regional Director. The grantee shall review and evaluate all subgrantee appeals before submission to the Regional Director. The grantee may make grantee-related appeals to the Regional Director. The appeal shall contain documented justification supporting the appellant's position, specifying the monetary figure in dispute and the provisions in Federal law, regulation, or policy with which the appellant believes the initial action was inconsistent.
- (b) **Levels of Appeal.**
  - (1) The Regional Director will consider first appeals for public assistance-related decisions under subparts A through L of this part.
  - (2) The Associate Director/Executive Associate Director for Response and Recovery will consider appeals of the Regional Director's decision on any first appeal under paragraph (b)(1) of this section.
- (c) **Time Limits.**
  - (1) Appellants must file appeals within 60 days after receipt of a notice of the action that is being appealed.
  - (2) The grantee will review and forward appeals from an applicant or subgrantee, with a written recommendation, to the Regional Director within 60 days of receipt.
  - (3) Within 90 days following receipt of an appeal, the Regional Director (for first appeals) or Associate Director/Executive Associate Director (for second appeals) will notify the grantee in writing of the disposition of the appeal or of the need for additional information. A request by the Regional Director or Associate Director/Executive Associate Director for additional information will include a date by which the information must be provided. Within 90 days following the receipt of the requested additional information or following expiration of the period for providing the information, the Regional Director or Associate Director/Executive Associate Director will notify the grantee in writing of the disposition of the appeal. If the decision is to grant the appeal, the Regional Director will take appropriate implementing action.

- (d) **Technical Advice.** In appeals involving highly technical issues, the Regional Director or Associate Director/Executive Associate Director may, at his or her discretion, submit the appeal to an independent scientific or technical person or group having expertise in the subject matter of the appeal for advice or recommendation. The period for this technical review may be in addition to other allotted time periods. Within 90 days of receipt of the report, the Regional Director or Associate Director/Executive Associate Director will notify the grantee in writing of the disposition of the appeal.
- (e) **Transition.**
  - (1) This rule is effective for all appeals pending on and appeals from decisions issued on or after May 8, 1998, except as provided in paragraph (e)(2) of this section.
  - (2) Appeals pending from a decision of an Associate Director/ Executive Associate Director before May 8, 1998 may be appealed to the Director in accordance with 44 CFR 206.440 as it existed before May 8, 1998 (44 CFR, revised as of October 1, 1997).
  - (3) The decision of the FEMA official at the next higher appeal level shall be the final administrative decision of FEMA.

[63 FR 17110, Apr. 8, 1998; 63 FR 24970, May 6, 1998]

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**ORDINANCE NO. 2674**

**AN ORDINANCE OF THE CITY OF SALISBURY TO AUTHORIZE THE MAYOR TO ENTER INTO A CONTRACT WITH THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR THE PURPOSE OF ACCEPTING GRANT FUNDS IN THE AMOUNT OF \$12,708.50, AND TO APPROVE A BUDGET AMENDMENT TO THE GRANT FUND TO APPROPRIATE THESE FUNDS FOR OFFSETTING COVID-19 EXPENSES.**

**WHEREAS**, on March 13, 2020, the President of the United States declared that the ongoing Coronavirus Disease 2019 (COVID-19) pandemic was of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories and the District of Columbia pursuant to Section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; and

**WHEREAS**, in accordance with Section 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials may be reimbursed under Category B of the Federal Emergency Management Agency's (FEMA's) Public Assistance program; and

**WHEREAS**, the City of Salisbury (the City) incurred substantial expenses preparing for and responding to the COVID-19 pandemic; and

**WHEREAS**, the City submitted a project grant application to FEMA for funding to offset expenses related to the acquisition of personal protective equipment (PPE) purchased in response to the COVID-19 crisis, and the provision of additional fire apparatus and equipment to assist EMS units with transporting patients with COVID-19 or suspected of having COVID-19; and

**WHEREAS**, FEMA funding assistance has been provided to the City at a one hundred percent (100%) federal cost share rate, resulting in the City receiving a reimbursement payment of \$12,708.50; 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 Council of the City of Salisbury; 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** Mayor Jacob R. Day is hereby authorized to enter into a grant agreement with the Federal Emergency Management Agency, on behalf of the City of Salisbury, for the City's acceptance of grant funds in the amount of \$12,708.50.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 2.** The City of Salisbury's Grant Fund Budget be and hereby is amended as follows:

**(a)** Increase DHS / FEMA Revenue Account No. 10500-425120-XXXXXX by \$12,708.50.

**(b)** Increase SFD Medical Expense Account No. 10500-546016-XXXXXX by \$12,708.50.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

48        **Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision  
49 of this Ordinance shall be deemed independent of all other provisions herein.

50        **Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any  
51 section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid,  
52 unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication  
53 shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other  
54 provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

55        **Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as  
56 if such recitals were specifically set forth at length in this Section 5.

57        **Section 6.** This Ordinance shall take effect from and after the date of its final passage.  
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59        **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of  
60 Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2021 and thereafter, a statement of the substance  
61 of the Ordinance having been published as required by law, in the meantime, was finally passed by the  
62 Council of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

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64 **ATTEST:**  
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69 **Kimberly R. Nichols, City Clerk**  
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\_\_\_\_\_ **John R. Heath, City Council President**

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72 Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.  
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**Jacob R. Day, Mayor**