



CITY OF SALISBURY CITY COUNCIL AGENDA

November 8, 2021

6:00 p.m.

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

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- Rev. John Wright, Unitarian Universalist Fellowship
- 6:03 p.m. PRESENTATIONS- Mayor Jacob R. Day
- Citation- Albert Allen, III
 - Proclamations- Epilepsy Awareness Month, Municipal Government Works Month
- 6:13 p.m. ADOPTION OF LEGISLATIVE AGENDA
- 6:14 p.m. CONSENT AGENDA- City Clerk Kimberly Nichols
- October 18, 2021 Work Session Minutes
 - October 25, 2021 Legislative Session Minutes
 - October 25, 2021 Closed Session Minutes (separate email)
 - November 1, 2021 Work Session Minutes
 - **Resolution No. 3133**- to approve the appointment of Amber Green to the Housing Board of Adjustments & Appeals for term ending October 2025
 - **Resolution No. 3134**- to approve the appointment of Sally Perret to the Human Rights Advisory Committee for term ending November 2023
- 6:18 p.m. AWARD OF BIDS- Procurement Director Jennifer Miller
- **Award of Contract**
 - ITB A-22-108 Citywide Speed Humps and Cushions
 - ITB 22-112 Police Vehicles
- 6:25 p.m. ORDINANCES- City Attorney Michael Sullivan
- **Ordinance No. 2692**- 2nd reading- to establish a program to encourage the expansion of residential housing in the City of Salisbury, known as the Housing Expansion Incentive program
 - **Ordinance No. 2693**- 2nd reading- to establish a payment in lieu of taxes ("PILOT") to encourage affordable housing development
 - **Ordinance No. 2694**- 1st reading- authorizing the Mayor to enter into a memorandum of understanding with the Somerset County Health Department for the purpose of accepting Emergency Housing Program grant funds in the amount of \$34,000, and to

approve a budget amendment to the grant fund to appropriate these funds for the 2021 Cold Weather Shelter

- 6:35 p.m. PUBLIC COMMENTS
- 6:40 p.m. ADMINISTRATION and COUNCIL COMMENTS
- 6:45 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. 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 – NOVEMBER 22, 2021

- **Ordinance No. 2694**- 2nd reading- authorizing the Mayor to enter into a memorandum of understanding with the Somerset County Health Department for the purpose of accepting Emergency Housing Program grant funds in the amount of \$34,000, and to approve a budget amendment to the grant fund to appropriate these funds for the 2021 Cold Weather Shelter

Join Zoom Meeting
<https://us02web.zoom.us/j/88186172560>
Meeting ID: 881 8617 2560
Phone: 1.301.715.8592

CITY OF SALISBURY
WORK SESSION
OCTOBER 18, 2021

Public Officials Present

Council President John “Jack” R. Heath
Council Vice-President Muir Boda
Councilwoman Michele Gregory

Mayor Jacob R. Day (arrived 4:52)
Councilwoman Angela Blake
Councilwoman April Jackson

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Nate Sansom, Special Assistant to the Mayor, Assistant City Clerk Julie English, City Clerk Kimberly Nichols, Attorneys Heather Konyar and Michael Sullivan, and members of the public and press.

On October 4, 2021 the Salisbury City Council convened in a hybrid Work Session (in person and on Zoom Conferencing Video) at 4:30 p.m. in Council Chambers.

Ordinance to create PILOT program

Nate Sansom, Special Assistant to the Mayor, discussed the ordinance to revise Title 3 Revenue and Finance of the City Code to add Chapter 3.26 Payment In Lieu of Taxes to create a PILOT program for eligible affordable housing projects. He defined eligible projects as any project eligible to receive financing through the Low Income Housing Tax Credit program administered through the Maryland Department of Housing and Community Development. To qualify for a PILOT, no less than 60% of the units available in a project shall be reserved for households having no more than 60% of the area median income for 40 years. Mr. Sansom explained this was long-term, and the City was ensuring the developers were committed to the PILOT. The payment would be equal to \$400 times the number of affordable housing units within the development. They would not receive credit for units that were not affordable housing. The program mirrored the Green Street development of 2016, and created a template that would enable the Mayor to enter into agreements on behalf of the City. It was one of the central pillars of the Mayor’s “Here is Home” program announced on September 29, 2021.

President Heath asked if they started out in the program and had a unit that met the requirements, was there a mechanism to know if the status changed. Mr. Sansom noted in the draft agreement on page two there was an equation to be completed with each agreement (\$400 times the number of affordable housing units.) Each time they signed the program agreement, they would designate the number of affordable housing units within their development. If anything changed, they would be responsible for paying.

Mr. Boda asked if there was a mechanism for credit if there were any increases in their affordable housing units. Mr. Sansom said that the agreement would just need updating and since it was a 40 year agreement, it was in the realm of possibility that would occur.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Ordinance to create Fee Waiver program

Mr. Sansom said this program was one of Mayor Day's primary pillars in the "Here is Home" proposal to incentivize residential development throughout the City. The Fee Waiver program would waive a number of fees associated with the development of residential single family and multi-family units and development projects in the City. Eligible projects would qualify for either full or partial fee waivers of fees including Comprehensive Connection Charges, Building Plan Review Fees, Building Permit Fees, Demo, Residential Building Fee, Gas Building Fee, Mechanical Building Fee, Plumbing Building Fee, Annexations Fees to include the Development Assessment Fee, Water & Sewer Connection Fees, Development Plan Review Fees, Subdivision Review Fees, Re-subdivision Review Fee, Critical Area Fees, Infrastructure Reimbursement Administrative Fee, Water Meter Setting Fee, and Fire Prevention Fees to include basic fees, expedited fees, after hours inspection fees, Fire Permit Fees to include Fire Alarm and Detection Systems and Sprinklers, Water Spray and Combined Sprinkler and Standpipe Systems.

Fees not waived included the Critical Land Area Program Fees, Water & Sewer Infrastructure Reimbursement Fee, Water Meter Tap Fee and Sewer Connection Fee, and any necessary reinsertion fee.

Mr. Sansom explained that to receive a full fee waiver, a program agreement must be executed within 90 days from the passage of the Fee Waiver Ordinance. This was a very narrow window because of Mayor Day's objective to encourage development now. All fees would be paid in full and on time as the project progresses. The fees would not be waived up front, but reimbursement would occur upon the issuance of the certificate of occupancy. He reviewed the tiered system of the fee waivers, with the final certificate of occupancies required by June 30, 2025.

President Heath discussed emails he received regarding the program. People have interpreted the program as a ninety day window to sign up, obtain permits, and complete the project in ninety days. He added that the milestones were set in reasonable time periods and the program was meant to incentivize speed but not to create an impossibility for the developer.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Public Comments

Four members of the public discussed the following topics:

- Works at Joseph House and was so grateful for the concept of Housing First because it was clear to those working for the homeless that they could not be helped unless they had a place to stay. She was very grateful of the things happening under Mayor Day.

- Habitat for Humanity associate shared remarks by reading the attached letter, included as part of the minutes.
- As a Community Manager for an apartment complex, she wanted to inform everyone how Habitat, Salisbury Neighborhood Housing and Shore Up! had helped 80 families in her apartment complex, and helped them pay their rent and kept them off of the streets.
- They were able to keep the jobs in her company because of the assistance.
- There was a reduction in crime because people were supporting the local businesses.
- Mental health issues have increased due the pandemic, and being able to keep a home helps with stability in adults and children.
- Executive Director of Habitat for Humanity for Wicomico County stated they were in support of the two programs presented. She discussed the impact of low income tax credit properties.

Ms. Jackson said that affordable housing was definitely needed in Salisbury. Because of affordable housing, she could live in the neighborhood she lived in. When people lived paycheck to paycheck, it was hard especially when they had children to take care of. She supported “Here is Home” and said she often referred people to Ms. Hilligoss at Habitat.

Ms. Gregory knew how hard and desperate homelessness was, and when in that situation people were not aware always of the programs available to them.

Ms. Blake said she took a lot of pride in Salisbury.

Mr. Boda supported “Here is Home” and thought that the number of people in the community near homelessness and co-habiting with others was where some of the relief would come.

Mayor Day thanked SNHS and Habit for being present. He discussed the Tiny Home Village being planned and the chronically homeless in the City. Helping them have shelter, warmth in winter, cool in summer, would not create criminal activity. In the “Here is Home” program, it did not follow that every fee given up was a fee that would have been collected. Action on housing was being incentivized on housing because the City was in dire need of it.

President Heath said that what they were doing with these incentives was why he ran for office.

With no further business to discuss, the Work Session was adjourned at 5:14 p.m.

City Clerk

Council President

While working on the Emergency Rental Assistance Program it has put me in contact with hundreds of individuals every month. There are hundreds of individuals also applying at Shore-Up and Salisbury Neighborhood Housing. Over 275 individuals in September alone received assistance out of this grant from Habitat for Humanity Wicomico County. Dozens of those individuals are children in households who otherwise would have lost housing and ended up homeless. When speaking with people at the Board of Education, I am aware of dozens of teens in our schools whose families are homeless who face bullying at school for dirty clothing because they are living in cars or on our streets. I have spoken with people at the city government who relay to me that typically there are 25 individuals at any given time who are homeless, that number is up to 80 individuals.

The housing crisis in our county is growing more dire by the week as the owners of the properties sell their homes for profit in the current market, which is their right as a property owners, but with the increased cost of materials due to the pandemic, there are less houses being built and therefore, less places to rent. Epidemiologists have shown in various studies overcrowding in housing has been shown to be a factor in accelerating the spread of diseases in the past. Just this past week, a mother came in who was renting a property that had a rat infestation. Pictures were shown of bite marks on her children and blood on the sheets of the bed the children slept in at night. The mother told the property managers, who did nothing, and then reported the company to the housing authority. The property management company's response was to condemn the property, effectively evicting the family and making them homeless.

I am trying to lay out for you how several factors are coalescing to create a problem of mammoth proportions for our community. We must respond with measures, as are being proposed by Mayor Day, in order to prevent undue suffering.

We all live within a system that has resulted in a greater benefit to our national collective than any one individual could attain on their own merit: diseases like polio and smallpox are eradicated, many are literate because of our public education system, deformities such as cleft palates are nearly nonexistent, and cases of spina bifida are greatly diminished, due to measures to put folic acid (a key to fetal development) in bread and milk many decades ago. No one argues against proper nutrition requirements, disease prevention measures, and the value of an education. Yet, we are debating the merits of policies which will help provide a basic human necessity: shelter.

Last time, I spoke of how narratives impact us and the importance that the narratives we choose allow us to grow more compassionate. Something else essential to our societal well-being, and the narratives we choose to believe, is hope. In order to prevail in times of adversity, people need to believe in a system which is not indifferent to their suffering. As leaders in our community, you are entrusted with that civic responsibility of providing hope. I encourage you to continue working to provide that hope by creating a space within our local system for affordable, accessible housing; to provide shelter in a storm that is ravaging our land at large; to be a beacon of light and hope; so that one day, people will speak of our community response to such times with admiration rather than despair at wanton human greed and callousness.

Since working at Habitat for Humanity, I now have a growing fear and anxiety with the coming of the first of each month that more people will be evicted and we will begin to see

young children panhandling on the streets of our community. Who here has seen a destitute 4 year old on the streets? That is something I encountered while serving on medical mission trips to Honduras as a teenager. I assure you, it takes a toll on the soul to see such a sight. That this could be a reality here soon, fills me with a sorrow I do not have words for, but I encourage you to take such concerns seriously and respond in a way to prevent such senseless atrocities in our times.

Thank you.

CITY OF SALISBURY, MARYLAND

REGULAR MEETING (COUNCIL CHAMBERS AND ZOOM)

OCTOBER 25, 2021

PUBLIC OFFICIALS PRESENT

*President John “Jack” R. Heath
Council Vice-President Muir Boda
Councilwoman April Jackson*

*Mayor Jacob R. Day
Councilwoman Michele Gregory*

PUBLIC OFFICIALS ABSENT

Councilwoman Angela Blake

IN ATTENDANCE

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Special Assistant to the Mayor Nate Sansom, Executive Administrative Assistant- Mayor’s Office Jessica Turner, Fire Chief John Tull, Department of Infrastructure and Development Director Amanda Pollack, Procurement Director Jennifer Miller, City Attorney Michael Sullivan, City Clerk Kimberly Nichols, members of the press and public

CITY INVOCATION – PLEDGE OF ALLEGIANCE

The City Council met in regular session at 6:00 p.m. in a hybrid meeting (in person and on Zoom Conferencing Video) and Council President John R. “Jack” Heath called the meeting to order. After the recital of the pledge to the flag, he then invited Pastor Bill Reid of Parkway Church of God to provide the invocation.

PROCLAMATION- presented by Mayor Jacob R. Day

Mayor Jacob R. Day presented the Family Court Awareness Month proclamation to increase awareness on the importance of a family court system that prioritizes child safety and acts in the best interest of children. The Family Court Awareness Month Committee works to provide education on domestic violence, childhood trauma and post separation abuse for professionals within the family court system, including judges and other court professionals.

SPECIAL PRESENTATION- presented by Council President John “Jack” R. Heath

President Heath announced the City’s Friendship Bridge was dedicated on October 1, 2021 to show our relationship and love for our sister cities. Senators Cardin and Van Hollen were both present and received a plaque. Mr. Heath said that one person did not receive a plaque, and he then presented one to Mayor Day, who was surprised and very appreciative.

ADOPTION OF LEGISLATIVE AGENDA

Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous (4-0) to approve the legislative agenda as presented.

CONSENT AGENDA- presented by City Clerk Kimberly Nichols

The Consent Agenda, consisting of the following items, was approved by a 4-0 vote on a motion and seconded by Ms. Jackson and Ms. Gregory, respectively:

- October 4, 2021 Work Session Minutes
- October 11, 2021 Legislative Session Minutes
- **Resolution No. 3130-** to approve the appointment of Cody Drinkwater to the Disability Advisory Committee for term ending October 2024

AWARD OF BIDS- presented by Procurement Director Jennifer Miller

The Award of Contracts, consisting of the following items, was unanimously approved (4-0 vote) on a motion and seconded by Ms. Jackson and Ms. Gregory, respectively.

- **Award of Contracts**
 - ITB 21-119 Riverwalk Polymer Overlay \$ 159,032.00
 - ITB 22-109 Zoo Administration Building \$ 156,509.00

Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous (4-0) to approve the following Declaration of Surplus items:

- **Declaration of Surplus**
 - Department of Field Operations – Trailer, Camera & Generator \$ 0.00
 - Salisbury Fire Department – 3 Ambulance Units \$ 0.00
 - Salisbury Fire Department – Ford Crown Victoria \$ 0.00

ORDINANCES- presented by City Attorney Michael Sullivan

- **Ordinance No. 2689-** 2nd reading- to grant a property tax credit against the City property tax imposed on certain real property owned by Habitat for Humanity of Wicomico County, Inc.

Mr. Boda moved, Ms. Gregory seconded and the vote was unanimous (4-0) to approve Ordinance No. 2689 for second reading.

- **Ordinance No. 2690-** 2nd reading- an ordinance of the City of Salisbury to amend Chapter 17.16 of the Salisbury City Code by adding Subsection 17.16.090 Nonconforming Use Zoning Exemption Program

Ms. Jackson moved and Ms. Gregory seconded to approve Ordinance No. 2690 for second reading.

Mr. Boda moved to amend Ordinance No. 2690 by inserting November 30, 2022 on Page 3, Line 3. Ms. Jackson seconded, and the vote on the amendment was 4-0.

Ordinance No. 2690 for second reading, as amended, was approved by unanimous vote in favor on a 4-0 vote.

- **Ordinance No. 2691**- 2nd reading- authorizing the Mayor to enter into a memorandum of understanding with the Wicomico County Health Department and approving a budget amendment of the FY2022 General Fund Budget to appropriate funds received from the Wicomico County Health Department in the amount of \$10,000.00

Ms. Jackson moved and Ms. Gregory seconded to approve Ordinance No. 2691 for second reading.

Mr. Boda moved to amend Ordinance No. 2691 as read by Mr. Sullivan. Ms. Jackson seconded, and the amendment was approved by unanimous vote in favor (4-0 vote).

Ordinance No. 2691, as amended, was unanimously approved on a 4-0 vote.

- **Ordinance No. 2692**- 1st reading- to establish a program to encourage the expansion of residential housing in the City of Salisbury, known as the Housing Expansion Incentive program

Ms. Jackson moved, Mr. Boda seconded, and the vote was unanimous to approve Ordinance No. 2692 for first reading.

- **Ordinance No. 2693**- 1st reading- to establish a payment in lieu of taxes (“PILOT”) to encourage affordable housing development

Mr. Boda moved, Ms. Gregory seconded, and the vote was unanimous to approve Ordinance No. 2693 for first reading.

PUBLIC COMMENTS

Two members of the public provided the following comments:

- The legislation passed was very important. For the past year speaker had discussed home inventory and needed ways to increase the housing stock in the City and across the country.
- The City was leading the charge in this and he congratulated Mayor Day and the Council.
- Speaker said she had been talking about the affordable housing crisis for years, and the City with this legislation would make an incredible impact. She could not wait to see which developers took advantage of the opportunities. The cost of land in Salisbury was very affordable compared to the rest of the state..
- Habitat For Humanity made an offer on six homes that were currently rental properties, and they would be turned into owner-occupied homes in the Church Street community after the settlement in mid-January.

128 **ADMINISTRATION AND COUNCIL COMMENTS**

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130 *Mayor Day said that there would be an increasing need for other tools and legislation. Expect that*
131 *they would find the right tools to solve the problem.*

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133 *Ms. Glanz informed Council that the camera being surplussed in the Award of Bids was a 2016*
134 *model.*

135
136 *Ms. Jackson asked everyone to love one another. She lost several family members in three weeks*
137 *and lost a very good friend on Saturday. She said to not take life for granted. COVID was here and*
138 *many people have passed from it.*

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140 *Ms. Gregory said that booster shots were approved, and please get your vaccine and booster. Be*
141 *safe during Halloween.*

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143 *President Heath encouraged everyone to donate blood if healthy enough. We fell belong one days'*
144 *need once this past week. Be kind to one another.*

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146 **VOTE TO CONVENE IN CLOSED SESSSION**

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148 *With no further business to discuss, at 7:00 President Heath called for a motion to convene in*
149 *Closed Session to discuss a matter directly related to a negotiating strategy or the contents of a bid*
150 *or proposal in accordance with the Annotated Code of Maryland §3-305(b)(14).*

151
152 *Mr. Boda moved, Ms. Gregory seconded, and the vote was unanimous to convene in Closed*
153 *Session.*

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155 **VOTE TO END CLOSED SESSION / CONVENE IN OPEN SESSION / REPORT TO PUBLIC**

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157 *At 7:20 p.m., upon a motion and second by Mr. Boda and Ms. Gregory, respectively, and approved*
158 *by unanimous vote in favor, the Closed Session was adjourned and Council convened in Open*
159 *Session.*

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161 *President Heath reported that while in Closed Session Council discussed a negotiating strategy to a*
162 *potential sale.*

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164 *Mayor Day reminded everyone that the State of the City was at Revival at 6:30 p.m. on October 26,*
165 *2021. Everyone was invited to attend.*

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167 *The Open Session was adjourned at 7:22 p.m.*

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170 *City Clerk*

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173 *Council President*

CITY OF SALISBURY
WORK SESSION
NOVEMBER 1, 2021

Public Officials Present

Council President John “Jack” R. Heath Mayor Jacob R. Day
Council Vice-President Muir Boda Councilwoman Angela Blake
Councilwoman April Jackson

Public Officials Absent

Councilwoman Michele Gregory

In Attendance

City Administrator Julia Glanz, Assistant City Clerk Julie English, Attorney Michael Sullivan,
Housing & Homelessness Manager Christine Chestnutt and members of the public and press.

On November 1, 2021 the Salisbury City Council convened in a hybrid Work Session (in
person and on Zoom Conferencing Video) at 4:30 p.m. in Council Chambers.

Ordinance to accept Emergency Housing Program funding

Christine Chestnutt, Manager of Housing & Homelessness, discussed the ordinance to
accept FY21 Emergency Housing Program funds to be used for rent and utilities for the
cold weather shelter. The shelter would run from November 6, 2021 through April 30,
2022. Due to the increase in homelessness the time frame was doubled.

Mr. Boda asked how many people were anticipated to stay at the shelter. Ms. Chestnutt
said the shelter was set up with 30 beds, and dividers were placed between each bed for
Covid purposes. Last year the cold weather shelter housed approximately 62 people.

Ms. Jackson asked for clarification on the location of the shelter. Ms. Chestnutt
explained the shelter would only be held at one location (Park Seventh Day Adventist
Church) rather than multiple locations. Transportation would be provided.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Ms. Glanz asked Ms. Chestnutt to share with the public how to sign up to volunteer for
the shelter. Ms. Chestnutt directed anyone interested in volunteering to visit the Housing
and Community Development’s page as well as Hands and Hearts Facebook page.

Ms. Jackson asked if this particular shelter was just for men. Ms. Chestnutt confirmed it
was.

Mr. Boda wished everyone a Happy Monday.

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Ms. Blake asked those who are healthy enough to please donate blood.

With no further business to discuss, the Work Session was adjourned at 4:36 p.m.

City Clerk

Council President



City of
Salisbury
Jacob R. Day, Mayor

MEMORANDUM

To: Jacob R. Day, Mayor
From: Jessie Turner, Administrative Assistant
Subject: Appointment to the Housing Board of Adjustments & Appeals
Date: October 1, 2021

The following person has applied for appointment to the Housing Board of Adjustments & Appeals for the term ending as indicated:

| <u>Name</u> | <u>Term Ending</u> |
|-------------|--------------------|
| Amber Green | October 2025 |

Attached is the information from Ms. Green and the resolution necessary for her appointment. If this appointment is approved, it will be placed on the next City Council agenda for review.

Attachments

OK
JRT

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| <u>Name</u> | <u>Term Ending</u> |
| Amber Green | October 2025 |

ATTEST:

John R. Heath
PRESIDENT, City Council

_____ day of _____, 2021

Jacob R. Day, Mayor



City of
Salisbury
Jacob R. Day, Mayor

MEMORANDUM

To: Jacob R. Day, Mayor
From: Jessie Turner, Administrative Assistant
Subject: Appointment to the Human Rights Advisory Committee
Date: October 21, 2021

The following person has applied for appointment to the Human Rights Advisory Committee for the term ending as indicated:

| <u>Name</u> | <u>Term Ending</u> |
|--------------|--------------------|
| Sally Perret | November 2023 |

Attached is the information from Ms. Perret and the resolution necessary for her appointment. If this appointment is approved, it will be placed on the next City Council agenda for review.

Attachments

OK

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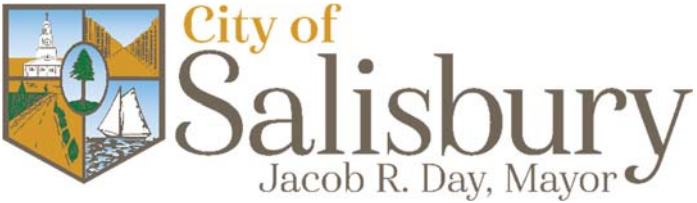
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| <u>Name</u> | <u>Term Ending</u> |
| Sally Perret | November 2023 |

ATTEST:

John R. Heath
PRESIDENT, City Council

_____ day of _____, 2021

Jacob R. Day, Mayor



COUNCIL AGENDA – Department of Procurement

November 8, 2021

Award of Contract

1. ITB A-22-108 Citywide Speed Humps and Cushions \$150,000.00 - \$225,000.00 (3 yr. est.)
2. ITB 22-112 Police Vehicles \$170,650.00



City of Salisbury

Jacob R. Day, Mayor

To: Mayor and City Council
From: Jennifer Miller
Director of Procurement
Date: November 8, 2021
Subject: Award of Bids

The Department of Procurement seeks approval from City Council to award the procurements listed below. For ITB A-22-118, the City followed required bidding practices by publicly posting all solicitations on the City of Salisbury's Procurement Portal and the State of Maryland's website, eMaryland Marketplace Advantage. The departmental memo provides further details.

ITB A-22-108 Citywide Speed Humps and Cushions

- Department: Infrastructure and Development
- Scope of Work: Provide labor, equipment and materials necessary to furnish and install speed humps, speed cushions, raised crosswalks and advance warning signage (where appropriate) for traffic calming purposes within the City of Salisbury.
- Bid date: 09/17/2021
- Bid opening: 10/20/2021
- Total bids received: 4
- Lowest responsive & responsible bidder: Team Cam, LLC (Linthicum Heights, MD)
- Cost: \$132,220.00 (base bid amount; for bid comparison only)
- GL Account(s): 31000-534318
- Notes:
 - Indefinite Delivery, Indefinite Quantity contract including a renewal clause (up to two additional 1-yr. terms;); orders placed as needed

ITB 22-112 Police Vehicles

- Department: Salisbury Police Department
- Specification: Five (5) Ford Police Interceptor Utility AWD vehicles
- State of MD contract BPO #001B1600353 "Maryland Statewide Contract for 2021 Police Vehicles"
- Authority per Salisbury Charter § SC16-3.A.(9) General Policy of Competitive Bidding; Exceptions
 - "...afford ample opportunity for competitive bidding...except in the following cases where competitive bidding procedures are not necessary or appropriate"
 - Contracts in which the City receives a contract price negotiated by the State, County, or other governmental entity pursuant to a valid contract.
- Vendor: Hertrich Fleet Services (Denton, MD)
- Cost: \$170,650.00
- GL Account(s): 21021-577025

The Department of Procurement hereby requests Council's approval to award these contracts to the vendors as indicated.



City of
Salisbury
Jacob R. Day, Mayor

To: Jennifer Miller, Director of Procurement
From: Amanda Pollack, Director, Department of Infrastructure & Development
William White, Transportation Project Specialist
Date: October 26, 2021
Subject: Award of Bid for ITB A-22-108, Citywide Street Speed Humps and Cushions

ITB A-22-108 bids were opened Wednesday, October 20, 2021 at 2:30 P.M. Bids were received from four (4) Milling and Paving Contractors. Bidders responded to mill, and place pavement speed humps, cushions and raised pedestrian crossings at various locations within the City Limits of Salisbury, Maryland. The bid quantities for this contract were for reference only and in place only to establish locked-in rates for the term of the contract (one year, renewable up to two times); therefore, no actual funds will be awarded at this time. Purchase Orders will be processed, as needed, per assignment to the Contractor. The bidders and base bids are as follows:

| | |
|----------------------|--------------|
| Team CAM | \$132,000.00 |
| Asphalt Maintenance | \$213,850.00 |
| George & Lynch, Inc. | \$231,760.00 |
| ECM Corporation | \$288,840.00 |

The lowest bidder, Team CAM, submitted a bid in the amount of \$132,00.00. Team CAM is a new contractor to the City, but has successfully completed several contracts for MDOT-SHA and Anne Arundel County in which they were the responsible party. As Team CAM's rates are the most affordable across all schedules of the contract they will be the sole awardee.

Funding is provided from the City of Salisbury Annual Street Maintenance Account that is utilized to resurface and maintain streets throughout the City. The funding for this work is a line item in the Adopted FY22 budget: 31000-534318 Street Maintenance.

As this contract is intended to lock rates in for the specified time frame, no award of fund shall be made at this time; as work becomes available individual purchase orders will be issued to the contractor.



Amanda Pollack, P. E.
Director, Department of Infrastructure & Development

HERTRICH FLEET SERVICES, INC

1427 Bay Road Milford, DE 19963

Ford - Chevrolet - Dodge - Jeep
Lincoln - Honda - Buick - GMC - Toyota - Nissan

(800) 698-9825

(302) 422-3300

Fax: (302) 839-0555

October 14, 2021

City of Salisbury
125 North Division St. Room 104
Salisbury, MD 21801

1 (one) vehicle

Michael Lowe, CPPB

We are pleased to provide this quote for a 2022 Ford Police Interceptor Utility, K8A, based on Maryland BPO# 001B1600353. State specifications include: 3.3L V6 TI-VCT Engine, 10 Speed Automatic Transmission, Drivers Side LED Unity Spot Lamp, Rear Door Locks / Windows Inoperable, Courtesy Lamp Disable, Daytime Running Lamps, **Rear View Camera Display in Rear View Mirror.**

| ✓ | Code | Description | Amount |
|---|---------|---|----------|
| | Vehicle | 2022 Ford Police Interceptor Utility AWD ; 3.3L V6 DI Engine | \$32,387 |
| | **/96 | Exterior Color to be determined – Cloth Front Buckets & Rear Vinyl Bench | N/C |
| | 500A | All Standard Equipment per PEP 500A | N/C |
| | BLT | Bluetooth Connectivity | STD |
| | 153 | Front License Plate Bracket | N/C |
| | 65L | 18" Wheel Covers | \$60 |
| | 18D | Global Unlock | NC |
| | 16D | Badge Delete : Deletes "Police Interceptor" | N/C |
| | <87R> | Rear View Camera – Display in Center Stack | N/C |
| | 52P | Hidden Door-Lock Plunger w/Rear-door controls inoperable (locks, handles and windows – includes 68G | \$160 |
| | 55F | Remote Keyless Entry - 4 Keys & 4 FOB's | \$340 |
| | 549 | Mirrors – Heated – Side view | \$60 |
| | 43D | Dark Car Feature – Courtesy Lamp Disabled when any door is opened | \$25 |
| | 17A | Auxiliary Air Conditioning | \$610 |
| | 85S | Rear Center Seat Delete | NC |
| | 66A | Front Headlamp Lighting Solution <input type="checkbox"/> Includes LED Low beam/High beam headlamp, Wig-wag function and (2) Red/Blue/White LED side warning lights in each headlamp (factory configured: driver's side White/Red / passenger side White/Blue) <input type="checkbox"/> Includes pre-wire for grille LED lights, siren and speaker (60A) <input type="checkbox"/> Wiring, LED lights included (in headlamps only; grille lights not included). Controller "not" included Note: Not available with option: 67H Note: Recommend using Ultimate Wiring Package (67U) | \$895 |

HERTRICH FLEET SERVICES, INC

1427 Bay Road

Milford, DE 19963

Ford - Chevrolet - Dodge - Jeep
Lincoln - Honda - Buick - GMC - Toyota - Nissan

(800) 698-9825

(302) 422-3300

Fax: (302) 839-0555

| | | | |
|--|-----|--|-----------------------------|
| | 68B | Police Perimeter Alert – detects motion in an approximately 270-degree radius on sides and back of vehicle; if movement is determined to be a threat, chime will sound at Level I. Doors will lock and windows will automatically go up at Level II. Includes visual display in center stack with tracking. | \$685 |
| | | | |
| | | Total per Vehicle | \$35,222 |
| | | | |
| | | Total for 3 Vehicles | \$105,666 |

HERTRICH FLEET SERVICES, INC

1427 Bay Road Milford, DE 19963

Ford - Chevrolet - Dodge - Jeep
Lincoln - Honda - Buick - GMC - Toyota - Nissan

(800) 698-9825

(302) 422-3300

Fax: (302) 839-0555

October 27, 2021

4 (four) vehicles

City of Salisbury Police Department

We are pleased to provide a New 2021 Ford Police Interceptor Utility, priced per State of MD BPO# 001B1600353, and equipped as follows:

| ✓ | Code | Description | Amount |
|---|---------|---|-----------|
| | Vehicle | 2021 Ford Police Interceptor Utility AWD ; 3.3L V6 DI Engine | \$32,387 |
| | YZ/96 | Oxford White Exterior with Cloth Front, Rear Vinyl Seats and Vinyl Floors | N/C |
| | 500A | All Standard Equipment per PEP 500A | N/C |
| | BLT | Bluetooth | INCL |
| | 153 | Front License Plate Bracket | N/C |
| | 87R | Rear View Camera – Display in Rear View Mirror | N/C |
| | 68G | Rear Doors and Locks – In-Operable | \$75 |
| | 51T | Drivers Side LED Spotlight - Whelen | \$420 |
| | 43D | Dark Car Feature – Courtesy Lamp Disabled when any door is opened | \$25 |
| | 17A | Auxiliary Air Conditioning | \$610 |
| | 55F | Remote Keyless Entry – 4 FOBs & 4 Keys | \$340 |
| | | | |
| | | MSRP \$39,800 | |
| | | Total per Vehicle | \$33,857 |
| | | | |
| | | Total for 4 Vehicles | \$135,428 |

Please contact us with any questions or to secure these vehicles. In Stock and available for quick delivery. As of today, there are 4 available.

Call 800-698-9825

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B1600353

PRINT DATE: 10/15/21

PAGE: 01

SHIP TO:

AS SPECIFIED ON INDIVIDUAL ORDERS

VENDOR ID:

HERTRICH FLEET SERVICES INC
1123 INDUSTRIAL PKWY

DENTON, MD 21629
(800)698-9825

REFER QUESTIONS TO:

ALLEGRA DAYE
(410)767-4032
ALLEGRA.DAYE1@MARYLAND.GOV

ITB: 001IT821201

EXPR DATE: 02/22/22
POST DATE: 02/23/21

DISCOUNT TERMS: . NET 30 DAY
CONTRACT AMOUNT: .00

TERMS:

ARTICLES HEREIN ARE EXEMPT FROM MARYLAND SALES AND USE TAXES BY EXEMPTION CERTIFICATE NUMBER 3000256-3 AND FROM FEDERAL EXCISE TAXES BY EXEMPTION NUMBER 52-73-0358K. IT IS THE VENDOR'S RESPONSIBILITY TO ADVISE COMMON CARRIERS THAT AGENCIES OF THE STATE OF MARYLAND ARE EXEMPT FROM TRANSPORTATION TAX.

MARYLAND STATEWIDE CONTRACT

FOR

2021 POLICE VEHICLES

VEHICLE TYPES: 4-1-A6, 4-1-R8, 4-6-P, 4-9-P, 4-10-P

4-10-M-P & 4-10-M-P-H

AMENDMENT #1: PRICE INCREASES TO LINES 1, 7, 12, 14 & 19.

THE PRECEDENCE OF THE CONTRACTOR WILL BE IDENTIFIED AS PRIMARY CONTRACTOR (1ST), AND SECONDARY CONTRACTOR (2ND).

VENDOR CONTACT: JIM BLECKI / SUSAN HICKEY

VENDOR ADDRESS: 1427 BAY ROAD, MILFORD DE 19963

VENDOR PHONE: 800-698-9825 (OFFICE)

VENDOR E-MAIL: JBLECKI@HERTRICHFLEET.COM
SHICKEY@HERTRICHFLEET.COM

CONTRACT TERM: ONE (1) YEAR WITH ONE (1) YEAR RENEWAL OPTION.

CONTRACT PERIOD: FROM DATE OF AWARD OR UNTIL PRODUCTION IS CUT OFF BY THE MANUFACTURER (WHICHEVER COMES FIRST). SUCCESSFUL VENDOR MUST

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BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B1600353

PRINT DATE: 10/15/21

PAGE: 02

TERMS (cont'd):

NOTIFY THE PROCUREMENT OFFICER FOR THE STATE OF MARYLAND, DEPARTMENT OF GENERAL SERVICES REGARDING PRODUCTION CUT-OFFS AS SOON AS THE DEALERSHIP IS NOTIFIED BY THE MANUFACTURER.

AT TIME OF DELIVERY FROM DEALER, EACH VEHICLE SHALL CONTAIN A MINIMUM OF FIVE (5) GALLONS OF GASOLINE.

DEALER MUST POSSESS A VALID STATE OF MARYLAND MOTOR VEHICLE ADMINISTRATION (MVA) DEALER'S LICENSE. DEALER MUST ALSO POSSESS A VALID STATE OF MARYLAND MOTOR VEHICLE ADMINISTRATION SALESMAN'S LICENSE. A COPY OF THE AFOREMENTIONED LICENSES MUST BE PROVIDED UPON REQUEST.

VEHICLE MUST BE DELIVERED WITH A CERTIFICATE OF ORIGIN.

DEALER WILL BE REQUIRED UPON DELIVERY TO SUBMIT A CERTIFICATE SHOWING THAT THE VEHICLE WAS SERVICED IN ACCORDANCE WITH THE MANUFACTURER'S RECOMMENDED NEW MOTOR VEHICLE PREPARATION CHECK SHEET. THIS CERTIFICATION IS TO BE SIGNED BY THE PERSON WHO SERVICED THE VEHICLE, AS WELL AS THE OWNER AND/OR DESIGNATED REPRESENTATIVE OF MANAGEMENT. OF MANAGEMENT.

THERE IS TO BE NO DEALER IDENTIFICATION ATTACHED TO THE NEW VEHICLE.

TIRES: TIRES RECALLED BY ANY MANUFACTURER WILL NOT BE ACCEPTED. IF A MODEL TIRE IS RECALLED BETWEEN CONTRACT AWARD AND VEHICLE DELIVERY, IT WILL BE THE RESPONSIBILITY OF THE DEALER TO REPLACE ANY SUCH TIRES PRIOR TO DELIVERY OF THE VEHICLE

WARRANTY:

DODGE/RAM WARRANTIES:

BASIC YEARS: 3
BASIC MILES/KM: 36,000
DRIVETRAIN YEARS: 5
DRIVETRAIN MILES/KM: 100,000
CORROSION MILES/KM: UNLIMITED
ROADSIDE ASSISTANCE YEARS: 5
ROADSIDE ASSISTANCE MILES/KM: 60,000

FORD POLICE UTILITY LIMITED WARRANTIES:

3 YEAR/36,000 MILE BUMPER TO BUMPER - NO DEDUCTIBLE
5 YEAR/100,000 MILE POWERTRAIN LIMITED WARRANTY
5 YEAR/UNLIMITED MILEAGE CORROSION PERFORATION

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BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B1600353

PRINT DATE: 10/15/21

PAGE: 03

TERMS (cont'd):

5 YEAR/60,000 MILE SAFETY RESTRAINT WARRANTY
5 YEAR/100,000 MILE HYBRID POWERTRAIN LIMITED WARRANTY
8 YEAR /100,000 MILE HYBRID UNIQUE COMPONENTS WARRANTY

THERE SHALL BE ZERO (-0-) DEDUCTIBLE ON THE WARRANTY.

STANDARD AND/OR EXTENDED WARRANTY PAPERS MUST BE GIVEN AT TIME OF VEHICLE DELIVERY.

ANY REDUCTION OF PRICES DURING THE PERIOD OF THIS CONTRACT SHALL BE PASSED ON TO THE STATE OF MARYLAND.

ALL PRODUCTS USED IN PACKING TO CUSHION AND PROTECT DURING THE SHIPMENT OF COMMODITIES ARE TO BE MADE OF RECYCLED, RECYCLABLE, AND/OR BIODEGRADABLE MATERIALS.

PROCESSING FEE

1.

CONTRACTOR SHALL PAY A PROCESSING FEE TO THE STATE IN THE AMOUNT OF ONE PERCENT (1%) OF THE TOTAL CONTRACT SALES. THE PROCESSING FEE IS CALCULATED BASED ON ALL SALES TRANSACTED UNDER THE CONTRACT, MINUS ANY RETURNS OR CREDITS. THE PROCESSING FEE SHALL NOT BE CHARGED DIRECTLY TO THE CUSTOMER, E.G., AS A SEPARATE LINE ITEM, FEE OR SURCHARGE, BUT SHALL BE INCLUDED IN THE CONTRACT'S UNIT PRICES.

2. THE PROCESSING FEE SHALL BE SUBMITTED TO THE DEPARTMENT OF GENERAL SERVICES, FISCAL SERVICES DIVISION, 301 W. PRESTON STREET, ROOM 1309, BALTIMORE, MD., 21201, WITHIN TEN (10) CALENDAR DAYS FOLLOWING THE END OF EACH CALENDAR MONTH ALONG WITH A MONTHLY USAGE REPORT DOCUMENTING ALL CONTRACT SALES. AN EXCEL VERSION OF THE MONTHLY USAGE REPORT SHALL ALSO BE EMAILED TO THE PROCUREMENT OFFICER.

3. FAILURE TO REMIT PROCESSING FEES IN A TIMELY MANNER OR REMITTANCE OF FEES INCONSISTENT WITH THE CONTRACT'S REQUIREMENTS MAY RESULT IN THE STATE EXERCISING ALL RECOURSE AVAILABLE UNDER THE CONTRACT INCLUDING, BUT NOT LIMITED TO, A THIRD PARTY AUDIT OF ALL CONTRACT ACTIVITY. SHOULD AN AUDIT BE REQUIRED BY THE STATE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR ALL COSTS ASSOCIATED WITH THE AUDIT UP TO \$10,000.00 OR ONE (1%) PERCENT OF THE CONTRACT'S ESTIMATED ANNUAL VALUE, WHICHEVER IS HIGHER.

PURCHASES BY OTHER ENTITIES - INDEFINITE QUANTITY CONTRACTS:

THIS PROVISION APPLIES TO INDEFINITE QUANTITY CONTRACTS.

PURSUANT TO THE STATE FINANCE AND PROCUREMENT ARTICLE, SECTION 13-110 OF THE ANNOTATED CODE OF MARYLAND, EXCEPT FOR ENTITIES DESCRIBED IN (6)(A) THE FOLLOWING ENTITIES MAY PURCHASE MATERIALS, SUPPLIES, AND

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BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B1600353

PRINT DATE: 10/15/21

PAGE: 04

TERMS (cont'd):

EQUIPMENT UNDER THIS CONTRACT:

- (1) A COUNTY OR BALTIMORE CITY;
- (2) A MUNICIPAL CORPORATION;
- (3) A GOVERNMENTAL AGENCY IN THE STATE;
- (4) A PUBLIC OR QUASI-PUBLIC AGENCY THAT:
 - (I) RECEIVES STATE MONEY; AND
 - (II) IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE;
- (5) A PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT:
 - (I) EITHER HAS BEEN ISSUED A CERTIFICATE OF APPROVAL FROM THE STATE BOARD OF EDUCATION OR IS ACCREDITED BY THE ASSOCIATION OF INDEPENDENT SCHOOLS; AND
 - (II) IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE; OR
- (6) A NON-PUBLIC INSTITUTION OF HIGHER EDUCATION UNDER SECTION 17-106 OF THE EDUCATION ARTICLE.
 - (B) A PRIVATE ELEMENTARY OR SECONDARY SCHOOL OR A NONPUBLIC INSTITUTION OF HIGHER EDUCATION MAY NOT PURCHASE RELIGIOUS MATERIALS UNDER THIS CONTRACT.
 - (B) THE RIGHT TO PURCHASE UNDER THIS SECTION SHALL BE IN ADDITION TO, BUT NOT IN SUBSTITUTION FOR, THE APPLICABLE PURCHASING POWER GRANTED TO ANY OF THE LISTED ENTITIES PURSUANT TO ANY STATUTORY OR CHARTER PROVISION.
- (7) ANOTHER STATE OR AN AGENCY OR OTHER INSTRUMENTALITY OF ANOTHER STATE.

ALL PURCHASES UNDER THIS CONTRACT BY ANY SUCH ENTITY WHICH IS NOT A UNIT OR AGENCY OF THE STATE OF MARYLAND FOR WHICH THE STATE OF MARYLAND MAY BE HELD LIABLE IN CONTRACT (1) SHALL CONSTITUTE A PURCHASE OR CONTRACT BETWEEN THE CONTRACTOR AND THAT ENTITY ONLY; (2) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT OF THE STATE OF MARYLAND; (3) SHALL NOT BE BINDING OR ENFORCEABLE AGAINST THE STATE OF MARYLAND OR ANY OF ITS UNITS OR AGENCIES; AND MAY BE SUBJECT TO OTHER TERMS AND CONDITIONS AGREED TO BY THE CONTRACTOR AND THE PURCHASER.

CONTRACTOR BEARS THE RISK OF DETERMINING WHETHER OR NOT ANY ENTITY FROM WHICH THE CONTRACTOR RECEIVES AN ORDER UNDER THE CONTRACT IS A UNIT OR AGENCY OF THE STATE OF MARYLAND SUCH THAT THE CONTRACT MAY BE ENFORCED AGAINST THE STATE OF MARYLAND.

THE DEPARTMENT OF GENERAL SERVICES' "TERMS AND CONDITIONS FOR COMMODITY CONTRACTS OVER \$50,000" AND ALL SPECIFICATIONS, TERMS AND CONDITIONS OF SOLICITATION # / INCORPORATED HEREIN BY REFERENCE.

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AN ORDINANCE OF THE CITY OF SALISBURY TO ESTABLISH A PROGRAM TO ENCOURAGE THE EXPANSION OF RESIDENTIAL HOUSING IN THE CITY OF SALISBURY, KNOWN AS THE HOUSING EXPANSION INCENTIVE PROGRAM.

WHEREAS, the City seeks to ~~increase-encourage~~ the construction and expansion of residential housing in the City of Salisbury ~~to encourage home ownership~~ to increase the availability of housing and enhance the economic welfare of the community as a whole; and

WHEREAS, the City through the Department of Infrastructure and Development assesses a ~~multitude of~~various permitting, annexation and development assessment fees and comprehensive connection charges in connection with the construction of residential housing; and

WHEREAS, the City believes a waiver of the aforementioned fees and charges will encourage expansion of residential housing construction and development and, accordingly, has developed a Housing Expansion Incentive 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 Housing Expansion Incentive Program and application process; and

WHEREAS, Section 13.02.07(A)(8) of the Salisbury ~~Municipal City~~ Code ~~allows~~ authorizes the Mayor and Council to ~~adopt discounts~~ approve a waiver or partial reduction of ~~for the~~ comprehensive connection charges for municipal water and sewer service in accordance with the terms and conditions governing such City policy; ~~to encourage water and sewer usage consistent with the City's goals;~~ and

WHEREAS, the City of Salisbury, Department of Infrastructure and Development imposes certain fees and costs, including, but not limited to, development assessments, for the annexation of real property into the City~~requires annexation and development assessment fees to be paid for properties being annexed into the City of Salisbury;~~ and

WHEREAS, City policy requires the approval of the City Council in order to waive any fee that is associated with a project not being performed directly by the City.

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 3.27, titled “Housing Expansion Incentive Program”, as follows:

Chapter 3.27 Housing Expansion Incentive Program.

3.27.010 – Definitions.

In this sectionChapter, the following words-terms have the following-meanings indicated below.:

“Residential Development” means real estate development for residential purposes, to include apartments, condominiums, townhouses, duplexes, multifamily dwellings, single family dwellings,

group domiciliary care facilities and senior housing in the form of assisted living and/or retirement living.

“Fee Waivers” includes the following fees:

Comprehensive Connection Charges, subject to the exclusions set forth below in this Section;

Building Plan Review Fees;

Building Permit Fees;

Demo- Residential (Building Fee);

Gas (Building Fee);

Mechanical (Building Fee);

Plumbing (Building Fee);

Annexation Fees, to include Annexation – Development Assessment Fees;

Water and Sewer Connection Fees;

Development Plan Review Fees;

Subdivision Review Fees;

Resubdivision Review Fees;

Critical Area Fees (Certificate of Compliance);

Infrastructure Reimbursement Administrative Fees;

Water Meter Setting Fees;

Fire Prevention Fees, to include Basic Fees, Expedited Fees, and After Hours Inspection Fees; and,

Fire Permit Fees, to include Fire Alarm & Detection Systems and Sprinkler Fees, Water Spray Fees and Combined Sprinkler & Standpipe Systems Fees.

“Fee Waivers” does not include- the following fees: Critical Area Program Fees (Fee-in-Lieu),

Water and Sewer Infrastructure Reimbursement Fees, Water Meter/Tap Fees and Sewer

Connection Fee, or Any any necessary Reinspection Fees.

3.2627.011 – Purpose.

The Housing Expansion Incentive Program is hereby established for the purpose of accelerating the construction or expansion of Residential Development in the City of Salisbury.

3.2627.012 – Requirements of the Housing Expansion Incentive Program.

A. The City hereby adopts the Housing Expansion Incentive Program Guidelines and the Application ~~submitted with this ordinance and~~ attached hereto and incorporated herein as “Exhibit A” as the initial approved application for the Fee Waivers provided in this Chapter. The ~~and~~ City hereby grants administrative powers to the Director of the Department of Infrastructure and Development to process and ~~monitor~~ administer any application for the Housing Expansion Incentive Program submitted applications under this Chapter, - to make necessary changes to the application for the Housing Expansion Incentive Program, and to adopt such additional rules and regulations as may be necessary for the proper and efficient administration of the Housing Expansion Incentive Program.

C. An application for the Housing Expansion Incentive Program shall be subject to pre-approval by the Mayor of the City of Salisbury.

D. Upon pre-approval of an application for the Housing Expansion Incentive Program by the Mayor of the City of Salisbury, the Department of Infrastructure and Development shall prepare a Housing Expansion Incentive Program Agreement, and, if the Residential Development is planned for

property located outside the municipal boundaries of the City of Salisbury, an Annexation Petition, for execution by the ~~Applicant~~ applicant and the City. A Housing Expansion Incentive Program Agreement shall contain the following minimum terms:

1. The ~~A~~ applicants shall receive Fee Waivers pursuant to the Housing Expansion Incentive Guidelines and Application attached ~~as hereto and incorporated herein as "Exhibit A"~~ hereto;
2. The ~~A~~ applicants shall pay all fees eligible for Fee Waivers on time and in full as the Residential Development progresses. Any fees paid by the ~~Applicant~~ applicant which are eligible for Fee Waivers shall be maintained by the City in a separate Fee Waivers escrow account. Fee Waivers shall be effectuated through a refund of the fee amounts deemed to be waived, with such refund ~~to~~ shall be paid by the City to the applicant, in a lump sum, upon the issuance of the Certificate of Occupancy for the Residential Development; and
3. The Applicants shall adhere to all terms contained in the Housing Expansion Incentive Program Agreement, including, but not limited to, ~~the any~~ deadlines for plan approval of the Residential Development, commencement of construction of the Residential Development, and issuance of ~~a the certificate~~ Certificate of ~~occupancy~~ Occupancy for the Residential Development.

3.27.013 – Authority to Bind.

The Mayor of the City of Salisbury, acting on behalf of the City, is authorized to enter into a Housing Expansion Incentive Program Agreement in accordance with this Chapter 3.27.

3.27.014 – Reporting.

The Mayor of the City of Salisbury shall provide a report to the City Council summarizing the participation in the Housing Expansion Incentive Program, the status of approved Residential Development projects, and the cost to the City of Salisbury in terms of collective Fee Waivers. This report shall be provided within ninety (90) days of the adoption of this ordinance, and, subject to the provisions of Section 3.27.014, on January 31 of each year thereafter, through the date of January 31, 2028.

3.27.015 – Cessation of the Housing Expansion Incentive Program.

A. Unless otherwise authorized by an ordinance, enacted by the City Council, amending this Section 3.27.015, the Housing Expansion Incentive Program and all provisions of this Chapter shall expire, and shall be deemed to be of no force and effect, on February 28, 2022 at 4:30 p.m. (Eastern Standard Time). Subject, in all respects, to the provisions set forth in Section 3.27.012(D)(3), the preceding sentence of this Section 3.27.015(A) shall not apply to any valid and existing Housing Expansion Incentive Program Agreement entered into by the City and an applicant on or before February 28, 2022.

B. Notwithstanding any term to the contrary set forth in Section 3.27.015(A), the provisions of this Chapter 3.27 shall apply to any application for the Housing Expansion Incentive Program submitted to the Department of Infrastructure and Development on or before February 28, 2022, subject to the terms set forth in Section 3.27.011(C) and Section 3.27.011(D).

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

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

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

163 **Section 4.** The recitals set forth hereinabove, [and any and all Exhibits attached hereto](#), are incorporated
164 into this section of the Ordinance as if such recitals [and Exhibits](#) were specifically set forth at length in this
165 Section 4.

166 **Section 5.** This Ordinance shall take effect from and after the date of its final passage.
167

168 **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of
169 Salisbury held on the ____ day of _____, 2021 and thereafter, a statement of the substance of
170 the Ordinance having been published as required by law, in the meantime, was finally passed by the Council
171 of the City of Salisbury on the ____ day of _____, 2021.
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183 ***[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]***

184 ***[SIGNATURES APPEAR ON THE PAGE THAT FOLLOWS]***
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203 **ATTEST:**

204

205

206

207 **Kimberly R. Nichols, City Clerk**

John R. Heath, City Council President

208

209

210

211 Approved by me, this _____ day of _____, 2021.

212

213

214

215

216 **Jacob R. Day, Mayor**

217

(d) To qualify for a partial fee waiver, as defined and more fully set forth in the attached Exhibit 1, Developer shall meet the following deadlines:

(i) This Program Agreement must be executed by February 28, 2022 in order for Developer to take advantage of the partial fee waiver benefits provided herein.

(ii) The Project's Building Permit application and site plans shall be submitted and approved by the Department of Infrastructure and Development no later than February 28, 2023~~December 31, 2022~~; and/or

(iii) Developer shall commence construction on the Project no later than October 31, 2023~~December 31, 2023~~; and/or

(~~iii~~iv) Developer shall obtain the certificate of occupancy for the Project no later than June 30, 2025 for multifamily development projects, or June 30, 2027 for single-family development projects.

3. **Warranties and Obligations of the City:** The City does hereby warrant and agree for the benefit of Developer as follows:

(a) The City shall grant Fee Waivers to Developer, calculated in accordance with the guidelines set forth on the attached Exhibit 1 and as more fully set forth in a Letter of Intent issued by the City of Salisbury Department of Infrastructure and Development, which Letter of Intent is attached hereto as **Exhibit 2** and incorporated by reference as if fully set forth herein.

(b) All fees shall be paid by Developer on time and in full as the Project progresses. Any fees paid by Developer which may be eligible for Fee Waivers shall be maintained by the City in a separate Fee Waivers escrow account. Fee Waivers shall be effectuated through a refund of the amounts deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

4. **Warranties and Obligations of the Developer.** The Developer does hereby warrant and agree for the benefit of the City as follows

(a) Developer shall adhere to the Guidelines and requirements set forth in Exhibits 1 and 2. If the Property is located outside of the City of Salisbury, Developer shall execute an Annexation Petition simultaneously herewith.

(b) As set forth above, all fees shall be paid by Developer on time and in full as the Project progresses. Fee Waivers shall be effectuated through a refund of the amounts deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

(c) Developer 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.

(d) The City shall have the right to refuse or recall Fee Waivers if the City believes the work for development of the Project is unsatisfactory, construction of the Project is not being completed according to this Program Agreement, or the Project otherwise does not meet the eligibility requirements.

5. **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 Program Agreement; (ii) the execution and delivery of

90 this Program Agreement and the performance of its obligations hereunder are not prohibited by or in breach
91 of, and the provisions hereof do not conflict with, any other agreement, mortgage, contract or other
92 instrument or document to which it is a Party or by which it is otherwise bound; and, (iii) there are no legal
93 requirements imposed upon it which prohibit or limit the execution and delivery of this Program Agreement
94 and the performance of its obligations hereunder.

95
96 (b) **Entire Agreement.** With the exception of any requisite Annexation Petition, this
97 Program Agreement, and all exhibits attached hereto, constitute the entire agreement and understanding of
98 the Parties with respect to the matters set forth herein, and all prior negotiations, writings and
99 understandings relating to the subject matter of this Program Agreement are merged herein and are
100 superseded and canceled by this Program Agreement.

101
102 (c) **Waiver - Amendments.** Any of the terms or conditions of this Program
103 Agreement may be waived but only in writing by the Party which is entitled to the benefit thereof, and this
104 Program Agreement may be amended or modified in whole or in part only by an agreement in writing
105 executed by all of the Parties.

106
107 (d) **Binding Nature of Agreement.** This Program Agreement shall be binding upon
108 and inure to the benefit of the Parties and their respective heirs, personal representatives, successors and
109 permitted assigns. Developer may assign this Program Agreement and all its rights hereunder to any
110 successor(s)-in-interest of Developer with respect to its ownership of, or any of its rights in and to, the
111 Project or any part or portion thereof. In the event of such an assignment, and/or transfer of the Property,
112 the new owner or interest holder shall enter into a modified agreement with the City, affirming the benefits
113 and obligations of the original Program Agreement.

114
115 (e) **Severability.** The invalidity or unenforceability of any provision of this
116 Program Agreement shall not affect or otherwise limit the validity and enforceability of the other provisions
117 hereof.

118
119 (f) **Construction.** This Program Agreement and all of the terms and conditions set
120 forth herein shall not be construed or enforced in favor of or against any Party hereto by reason of the fact
121 that Party or that Party's agent or attorney drafted all or any part of this Program Agreement. Section
122 headings are for convenience of reference only and shall not limit or otherwise affect any of the provisions
123 of this Program Agreement. As used herein, any reference to the masculine, feminine or neuter gender shall
124 include all genders, the plural shall include the singular, and the singular shall include the plural.

125
126 (g) **Governing Law.** This Program Agreement shall be construed and enforced in
127 accordance with the laws of the State of Maryland, without regard to its conflict of laws principles. The
128 Parties hereto acting for themselves and for their respective successors and assigns, without regard to
129 domicile, citizenship or residence, hereby expressly and irrevocably consent to and subject themselves to
130 the jurisdiction of the Maryland courts and to venue in Wicomico County, Maryland with respect to any
131 matter arising under, from or in connection with this Program Agreement.

132
133 (h) **Waiver of Jury Trial.** The Parties hereto shall and they hereby do waive trial by
134 jury in any action, proceeding or counter-claim brought by a Party hereto against the other on any matter
135 whatsoever arising out of or in any way connected with this Program Agreement, the relationship of the Parties
136 to one another, and/or any claim, injury or damage arising from or consequent upon this Program Agreement.

137
138 (i) **Recitals.** The Recitals set forth hereinabove are incorporated by reference herein,
139 and made a part hereof, as if fully set forth in this Program Agreement.

(j) **Counterparts.** This Program 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.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Program 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__



Housing Expansion Incentive Program

Guidelines and Application

Department of Infrastructure & Development

Room 202

125 N. Division Street

Salisbury, Maryland 21801

Phone: 833-SBY-CITY

~~September~~ October 2021

Housing Expansion Incentive Program Guidelines and Application

The Housing Expansion Incentive Program (the “**Program**”) is a graduated fee waiver program. The primary goal of the Program is to accelerate the construction of residential development throughout Salisbury. Projects that meet eligibility requirements shall qualify for a full or partial waiver of annexation fees, permitting fees, comprehensive connection charges, and/or development assessment fees, as set forth in detail on the attached **Exhibit 1** (collectively referred to as the “**Fee Waivers**”). Guidelines for the Program are set forth below (the “**Guidelines**”), immediately followed by the Program Application (the “**Application**”).

Eligibility for Program Fee Waivers

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 property which is planned for residential development (the “**Project**”), which must demonstrate that the Project meets all of the following criteria:

1. The Project must either be located within the City of Salisbury or, in addition to completing this application, the applicant(s) must sign an Annexation Petition with the City.
2. The Project must comply with all applicable Zoning and Building Codes.
3. The Project must comply with all requirements of the Salisbury Historic District Commission.
4. 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.

General Conditions

1. Applicants must comply with all Program guidelines and conditions.
2. Applicants must be the owner of the Project to apply for the Program.
3. Properties and owners must be current on all City, County, State, and Federal property and income taxes and remain current throughout the Program term. Failure to comply shall result in suspension of the Fee Waivers during any period of non-compliance and, at the discretion of the Mayor, may result in termination of the Housing Expansion Incentive Program Agreement (the “**Program Agreement**”) and the forfeiture of Fee Waivers for the remainder of the Program Fee Waiver Schedule set forth in the Program Agreement.
4. Building permits for a Project must be issued within the schedule defined in the Program Agreement.
5. All construction work for a Project must comply with applicable laws, ordinances, building codes and zoning ordinances.
6. 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.
7. 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 shall disqualify the Project for the Fee Waivers.

8. 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 Fee Waivers are sought under the Program.
9. 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 Fee Waivers granted to an Applicant thereunder.
10. 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.
11. Each Applicant must certify that: there are no hazardous materials located on the property at which the Project is constructed; the Applicant shall 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.
12. 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.
13. 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.
14. 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.
15. To be eligible to participate in the Program, the Program Agreement must be executed no later than ~~ninety (90) days following the City Council's passage of the Fee Waiver Ordinance No. _____,~~ passed on _____ February 28, 2022.
16. Having met all other requirements to participate in the Program, in order to qualify for each of the Program Fee Waivers the Applicant shall abide by the development timeline established in the Program Agreement.
17. An Applicant shall maintain the property and all improvements of the Project, and otherwise comply with the Municipal Code of the City of Salisbury.
18. 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.
19. The City of Salisbury shall have the right to refuse and/or rescind the Fee Waivers 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 Program Agreement, or the increased assessed value of the real property following completion of Project construction does not meet the eligibility requirements.

20. 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 Fee Waivers 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. Repayment of Fee Waivers shall be required, and, to the fullest extent permitted by law, shall be a lien on the property for which the Fee Waivers were requested.

Fee Waiver Schedule

1. Full Fee Waivers: Timeline and Development Benchmarks

a. The Program Agreement must be executed ~~within ninety (90) days from the passage of the Fee Waiver Ordinance No. _____, passed on _____ by February 28, 2022,~~ in order for Applicant to take advantage of the full Fee Waivers provided herein.

b. All fees shall be paid on time and in full as the Project progresses. Any fees paid by the Owner which may be eligible for Fee Waivers shall be maintained by the City in a separate Fee Waivers escrow account. Fee Waivers shall be effectuated through refunds pursuant to the following timelines and development benchmarks:

(i) If all building permit applications and site plans related to the Project are approved by the Department of Infrastructure and Development by ~~December 31, 2022~~February 28, 2023, the City shall provide Fee Waivers equal to 25% of all permitting, annexation, and development assessment fees related to the project; the 25% Fee Waivers shall also be applied to comprehensive connection charges, excluding water and sewer infrastructure reimbursement fees. Fee Waivers shall be applied separately to each waived fee (i.e., 25% of the building permit fee is waived, 25% of the water and sewer connection fee is waived, etc.). Fee Waivers shall be provided in the form of a refund of the amount deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

(ii) If construction on the Project commences no later than ~~December 31, 2023~~October 31, 2023, the City shall provide Fee Waivers equal to the 25% of all permitting, annexation, and development assessment fees related to the project; the 25% Fee Waivers shall also be applied to comprehensive connection charges, excluding water and sewer infrastructure reimbursement fees. These subsection 1(b)(ii) Fee Waivers shall be provided in addition to any Fee Waivers received through subsection 1(b)(i). Fee Waivers shall be applied separately to each waived fee (i.e., 25% of the building permit fee is waived, 25% of the water and sewer connection fee is waived, etc.). Fee Waivers shall be provided in the form of a refund of the amount deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

(iii) If a Certificate of Occupancy for the Project is issued no later than June 30, 2025 for multifamily development projects, or June 30, 2027 for single-family development projects, the City shall provide Fee Waivers equal to 50% of all permitting, annexation, and development assessment fees related to the project; the 50% Fee Waivers shall also be applied to comprehensive connection charges, excluding water and sewer infrastructure reimbursement fees. These subsection 1(b) (iii) Fee Waivers shall be provided in addition to any waivers received through subsections 1(b) (i) and (ii). Fee Waivers shall be applied separately to each waived fee (i.e., 50% of the building permit fee is waived, 50% of the water and sewer connection fee is waived, etc.). Fee Waivers shall be provided in the form of a refund of the amount deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

2. Projects Currently in the development Pipeline – Partial Benefit

a. Projects currently under development may participate in a modified version of this program. The Program Agreement must be executed by February 28, 2022, in order for Applicant to take advantage of the partial Fee Waivers provided herein. so long as they have an executed Program Agreement within ninety (90) days of the passage of the Fee Waiver Ordinance No. _____, passed on _____.

b. All fees shall be paid on time and in full as the Project progresses. Any fees paid by the Owner which may be eligible for Fee Waivers shall be maintained by the City in a separate Fee Waivers escrow account. Fee Waivers shall be effectuated through refunds pursuant to the following timelines and development benchmarks:

(i) If all building permit applications and site plans related to the Project are approved by the Department of Infrastructure and Development by ~~December 31, 2022~~February 28, 2023, the City shall provide Fee Waivers equal to 25% of all permitting, annexation, and development assessment fees related to the project, *which such Fee Waivers shall be applicable only to future fees which have not yet become due in the ordinary course of the Project's development.* The 25% Fee Waivers shall also be applied to comprehensive connection charges, excluding water and sewer infrastructure reimbursement fees and *provided they have not yet become due in the ordinary course of the Project's development.* Fee Waivers shall be applied separately to each waived fee (i.e., 25% of the building permit fee is waived, 25% of the water and sewer connection fee is waived, etc.). Fee Waivers shall be provided in the form of a refund of the amount deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

(ii) If construction on the Project commences no later than ~~December 31, 2023~~October 31, 2021, the City shall provide Fee Waivers equal to the 25% of all permitting, annexation, and development assessment fees related to the project, *which such Fee Waivers shall be applicable only to future fees which have not yet become due in the ordinary course of the Project's development.* The 25% Fee Waivers shall also be applied to comprehensive connection charges, excluding water and sewer infrastructure reimbursement fees and *provided they have not yet become due in the ordinary course of the Project's development.* These subsection 2(b)(ii) Fee Waivers shall be provided in addition to any Fee Waivers received through subsection 2(b)(i). Fee Waivers shall be applied separately to each waived fee (i.e., 25% of the building permit fee is waived, 25% of the water and sewer connection fee is waived, etc.). Fee Waivers shall be provided in the form of a refund of the amount deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

(iii) If a Certificate of Occupancy for the Project is issued no later than June 30, 2025 for multifamily development projects, or June 30, 2027 for single-family development projects, the City shall provide Fee Waivers equal to 50% of all permitting, annexation, and development assessment fees related to the project, *which such Fee Waivers shall be applicable only to future fees which have not yet become due in the ordinary course of the Project's development;* the 50% Fee Waivers shall also be applied to comprehensive connection charges, excluding water and sewer infrastructure reimbursement fees and *provided they have not yet become due in the ordinary course of the Project's development.* These subsection 2(b)(iii) Fee Waivers shall be provided in addition to any waivers received through subsections 2(b)(i) and (ii). Fee Waivers shall be applied separately to each waived fee (i.e., 50% of the building permit fee is waived, 50% of the water and sewer connection fee is waived, etc.). Fee Waivers shall be provided in the form of a refund of the amount deemed to be waived, with such refund to be paid in a lump sum upon the issuance of the Certificate of Occupancy for the Project.

All Fee Waivers shall be prorated based upon the proportion of development with a residential use

All Fee Waivers shall be prorated based upon the proportion of the Project that is developed for residential use. The portion of the Project developed for residential use shall be calculated based upon the

proportion of project-related EDUs that are residential EDUs. To better understand the intent of this provision regarding how program Fee Waivers are to be prorated, refer to the example provided below.

Requirements for the Program Agreement

1. The Director of the Department of Infrastructure and Development, or a designee thereof, shall draft a Program Agreement with eligible Applicants that includes the following:
 - a. Calculation of the sum total of all charges and fees that are eligible to be offset through Fee Waivers, in accordance with the development timeline and benchmark milestones. The calculations shall be set forth by DID in a Letter of Intent issued to Applicant after submission of the Program Application.
 - b. Calculations, based on the proportion of residential EDUs, of the percentage of the Project that is for residential use, which shall be eligible for Program Fee Waivers. All calculations shall be enumerated so that Applicants are fully advised what proportion of the Project is eligible for Fee Waivers, in accordance with the timeline and development benchmarks listed above. These calculations shall be included in the Letter of Intent issued by DID after Applicant's submission of the Program Application.
 - (i) Example: If a Project required a total of 100 EDUs – 80 EDUs for residential components with the remaining 20 EDUs being used for a commercial portion, then the Fee Waivers would only apply to 80% of the fees associated with the Project.
 1. In this example, if the Project were eligible for the full Fee Waivers, it would receive up to a 100% waiver on 80% of fees associated with the Project.
 2. If the Project in this example were eligible for the partial Fee Waivers, it would receive up to a 50% waiver on 80% of fees associated with the Project.
 - c. Draft an Annexation Petition for all proposed Projects located outside of City limits. The an Annexation Petition shall be signed by the Program Applicant and submitted with the signed Program Agreement.

Fee Waiver Process

1. Fee Waivers shall be applied to fees on an individual basis in accordance with the above Fee Waiver Schedule. Fee Waivers may be combined with other local, state and federal incentive programs. Fee Waivers will not supersede other local, state, and federal incentive programs and will be applied after the application of those incentive programs. Fee Waivers cannot exceed 100% of any individual fee.
2. Properties must be current on all City, County, State, and Federal property and income taxes. All Fee Waivers shall 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 Fee Waivers shall run, in accordance with schedule set forth above, for the entire term of the Program unless the owner of the property becomes delinquent in paying the above described taxes or fails to meet the eligibility requirements or general conditions of the Program.

Requirements for Application for Program Waiver

1. Interested Applicants must meet with DID staff to review the Program and specifications for the Applicant's Project.

2. 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.
3. 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.
4. **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.
5. The Director of DID shall 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 shall be a preliminary summary of Fee Waivers for the Project and a proposed draft Program Agreement for the Project. If the Project involves mixed-use or commercial components, the Director of DID shall also include the prorated total of all charges and fees that are eligible to be offset through Program Fee Waivers; the Director of DID shall determine this prorated Fee Waivers total based upon the proportion of the Project's EDUs that are residential EDUs. If the Project is located outside of the City limits, the Letter of Intent and draft Program Agreement shall also include an Annexation Petition. Applicants must sign and submit the Program Agreement, and any an Annexation Petition, within thirty (30) days of receipt of these documents.
6. Once the Letter of Intent has been signed, the Application and recommendation shall be forwarded to the Mayor for the Mayor's pre-approval.
7. DID staff shall finalize the Program Agreement for the Project, which must be executed by the Applicant within fifteen (15) days of the Applicant's receipt thereof. After the Applicant has fully executed the Program Agreement and, if applicable, Annexation Petition, the agreement(s) shall be presented to the Mayor for the Mayor's final approval.
8. Applicants shall agree to adhere to the timeline and development benchmarks included in the Application, in the Program Agreement, and (if applicable) any Land Disposition Agreements/Contracts approved by the City.
9. The Program Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, personal representatives, successors and permitted assigns. Applicant may assign the Program Agreement and all rights thereunder to any successor(s)-in-interest of Applicant with respect to its ownership of, or any of its rights in and to, the Project or any part or portion thereof. In the event of such an assignment, and/or transfer of the Property, the new owner or interest holder shall enter into a modified agreement with the City, affirming the benefits and obligations of the original Program Agreement.

Exhibit 1

Eligible Projects may qualify for full or partial waivers of the following fees:

Comprehensive Connection Charges, subject to the exclusion below
Building Plan Review Fees
Building Permit Fees
Demo- Residential (Building Fee)
Gas (Building Fee)
Mechanical (Building Fee)
Plumbing (Building Fee)
Annexation Fees, to include Annexation – Development Assessment Fees
Water and Sewer Connection Fee
Development Plan Review Fee
Subdivision Review Fee
Resubdivision Review Fee
Critical Area Fees (Certificate of Compliance)
Infrastructure Reimbursement Administrative Fee
Water Meter Setting Fee
Fire Prevention Fees, to include Basic Fees, Expedited Fees, After Hours Inspection Fees
Fire Permit Fees, to include Fire Alarm & Detection Systems and Sprinkler, Water Spray and
Combined Sprinkler & Standpipe Systems

The following fees shall not be waived:

Critical Area Program Fees (Fee-in-Lieu)
Water and Sewer Infrastructure Reimbursement Fee
Water Meter/Tap Fee and Sewer Connection Fee
Any necessary Reinspection Fees

**City of Salisbury
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: _____

Equivalent Dwelling Units (EDUs)

Total Number of EDUs required

Number of Residential EDUs required

Number of Commercial EDUs required

Percentage of EDUs that are Residential EDUs

Project Narrative

1) General description of the proposed project:

2) How does this project align with the Program goals?

3) Use Mix: Type of Use / Percentages:

4) Property ownership structure:

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

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

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

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 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 Fee Waivers, I shall be required to enter into a Program Agreement and, if applicable, an Annexation Petition with the City of Salisbury.

Signature of Project Owner: _____

Printed Name: _____ Date: _____

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

Signature of Property Owner: _____

Printed Name: _____ Date: _____

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WHEREAS, there is a significant need in the City of Salisbury for quality housing units for persons with low to moderate incomes; and

WHEREAS, Section 7-506.1 of the Tax Property Article of the Annotated Code of Maryland authorizes a municipality to offer a payment in lieu of taxes (“PILOT”) for properties: i) owned by persons engaged in constructing or operating housing structures or projects and ii) used for a housing structure or project that is constructed or substantially rehabilitated under a federal, state or local government program that 1) funds construction, or insures its financing in whole or in part, or 2) provides interest subsidy, rent subsidy or rent supplements; and

WHEREAS, in accordance with the above enabling authority, the City of Salisbury desires to offer a PILOT to owners of developments eligible to receive financing through the Low Income Housing Tax Credit (LIHTC) Program of the Maryland Department of Housing and Community Development (“DHCD”); and

WHEREAS, to qualify for the City of Salisbury PILOT, owners participating in the LIHTC Program must 1) operate an eligible development project as rental housing for low to moderate income households and limit rents pursuant to the Extended Low Income Housing Covenant for Low Income Housing Tax Credits between the owner and DHCD; 2) make no less than sixty percent (60%) of the housing units available to households having incomes of no more than sixty percent (60%) of the area median income; and 3) continue to qualify in all respects under the provisions of Section 7-506.1 of the Tax Property Article of the Annotated Code of Maryland; and

WHEREAS, implementing the PILOT will encourage eligible owners to construct or expand the inventory of affordable housing in the City of Salisbury; and

WHEREAS, the Mayor joins with the City Council in recommending the implementation of the PILOT.

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 3.26, titled “Payment in Lieu of Taxes (PILOT)”, as follows:

Chapter 3.26 Payment in Lieu of Taxes (PILOT)

3.26.010 – Definitions

In this Chapter, the following words have the following meanings indicated.

“Affordable Housing Development” means a housing structure or project in the City of Salisbury that is: 1) eligible to receive financing through the Low Income Housing Tax Credit (LIHTC) Program of the Maryland Department of Housing and Community Development (“DHCD”); 2) operates as rental housing for low to moderate income households and limits rents pursuant to the Extended Low Income Housing Covenant for Low Income Housing Tax Credits between the owner and DHCD; 3) makes no less than sixty percent (60%) of the housing units available to households

40 having incomes of no more than sixty percent (60%) of the area median income; and 4) continues to
41 qualify in all respects under the provisions of Section 7-506.1 of the Tax Property Article of the
42 Annotated Code of Maryland.

43 “Affordable Housing Unit” means a dwelling within the Affordable Housing Development that is
44 offered for rent for residential occupancy and is made available to households having incomes of no
45 more than sixty percent (60%) of the area median income.

46 “Payment in lieu of taxes” means an authorized payment made by the owner of an Affordable
47 Housing Development instead of paying the City of Salisbury real property tax.

48 3.26.011 – Requirements of PILOT Agreement

49 The City of Salisbury shall enter into an agreement to accept a negotiated payment in lieu of the real
50 property tax that would otherwise be levied on an Affordable Housing Development. Such an
51 agreement shall consist of the following minimum terms:

52 A. Affordable Housing Developments shall receive a reduction of the City of Salisbury
53 real property tax in an amount of Four Hundred Dollars (\$400.00) per Affordable Housing Unit per
54 year, the collective amount of which shall not exceed the total annual City of Salisbury real property
55 tax assessed to the Affordable Housing Development. The reduced amount provided for herein shall
56 be accepted by the City of Salisbury as a payment in lieu of taxes, provided that:

57 B. The housing structure or project continues to qualify as an Affordable Housing
58 Development, as set forth in 3.26.010, for a period of forty (40) years from the date the Affordable
59 Housing Development is granted a certificate of occupancy. At any time after receiving a negotiated
60 agreement for payment in lieu of taxes, but before forty (40) years after receiving a certificate of
61 occupancy, if the housing structure or project fails to meet the requirements set forth in this Section
62 3.26.011 (B), then the owner of the housing structure or project shall pay to the City of Salisbury the
63 difference between the ordinary City real property taxes and the payment in lieu of taxes for all years
64 from the date the housing structure or project fails to meet the requirements of this Section 3.26.011
65 (B) back to the date of the initial reduction set forth in the above Section 3.26.011(A), as if the
66 property had not been granted a payment in lieu of taxes.

67 3.26.012 – Authority to Bind

68 The Mayor of the City of Salisbury is authorized to enter into an agreement with the owner of an
69 Affordable Housing Development for a payment in lieu of taxes in accordance with this Chapter 3.26.

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

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

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

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

81 **Section 5.** This Ordinance shall take effect from and after the date of its final passage.
82

83 **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City
84 of Salisbury held on the 25th day of October, 2021 and thereafter, a statement of the substance of the
85 Ordinance having been published as required by law, in the meantime, was finally passed by the Council
86 of the City of Salisbury on the 8th day of November, 2021.
87

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

90 ***[SIGNATURES APPEAR ON THE PAGE THAT FOLLOWS]***
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122 **ATTEST:**

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125 _____
Kimberly R. Nichols, City Clerk

John R. Heath, City Council President

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128 Approved by me, this _____ day of _____, 2021.

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131 _____
Jacob R. Day, Mayor

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WHEREAS, the Owner proposes to develop the multifamily component of _____, a _____ development consisting of a commercial building and rental apartments, located at _____ in Salisbury, Maryland (the “Property”) for the purposes of providing rental housing for low to moderate income households (the “Project”); and

- (a) The real property is owned by a person engaged in constructing or operating housing structures or projects; and
- (b) The real property is used for a housing structure or project that is constructed or substantially rehabilitated under a federal, state or local government program that:
 - (1) funds construction, or insures its financing in whole or in part, or
 - (2) provides interest subsidy, rent subsidy or rent supplements; and
- (c) The Owner:
 - (1) agrees to continue to maintain the real property as rental housing for lower income persons under the requirements of the government programs and to renew any annual contributions contract or other agreement for rental subsidy or supplement; or
 - (2) enters into an agreement with the governing body of the City to allow the property or portion of the property which was maintained for lower income persons to remain as housing for lower income persons.

WHEREAS, the Owner has demonstrated to the City that an agreement for payments in lieu of taxes is necessary; and

NOW, THEREFORE, THIS AGREEMENT WITNESSETH: In consideration of the mutual covenants, terms and agreements hereof and pursuant to the power and authority of Section 7-506.1 of the Tax Property Article of the Annotated Code of Maryland, it is agreed as follows:

45 1. The Owner agrees: (1) that it will operate the Project as rental housing for low to
46 moderate income households and will limit rents pursuant to the Extended Low Income Housing
47 Covenant for Low Income Housing Tax Credits between the Owner and the Maryland Department
48 of Housing and Community Development (herein the "Extended Use Covenant"); (2) it will make
49 no less than 60 percent of the units available to households having incomes of no more than 60
50 percent of the area median income ("**Affordable Housing Units**"); and (3) that the Project qualifies
51 and will continue to qualify in all respects under the provision of said Section 7-506.1 of the Tax
52 Property Article of the Annotated Code of Maryland.

53
54 2. Beginning July 1, 2022, or the July 1 following the issuance of certificate of
55 occupancy, whichever is later, the Property shall be exempt from ordinary City real property taxes,
56 provided the Property continuously meets the requirements set forth in the above paragraph 1 for a
57 period of forty (40) years. In lieu of ordinary City real property taxes, the Property shall make a
58 payment equivalent to the Property's total annual City real property tax assessment, reduced by
59 the amount of Four Hundred Dollars (\$400.00) per Affordable Housing Unit per year, which
60 collective reduction shall not exceed the total annual City real property tax assessment. The
61 payments to be made hereunder by the Owner to the City with respect to the Property shall be in
62 lieu of all ordinary City taxes on real property under the Tax Property Article of the Annotated
63 Code of Maryland, and shall be made by the Owner first and accepted by the City through the Fiscal
64 Year 2058, or for forty (40) years following the issuance of the certificate of occupancy.

65
66 3. This Agreement shall be in effect for forty years, which is anticipated to be through
67 **Fiscal Year 20__**, **ending June 20__** and the portion of the property to be maintained for lower
68 income persons shall remain as housing for lower income persons for a term of at least forty (40)
69 years pursuant to Section 7-506.1(a)(2)(iv)2. The Property shall be assessed and reassessed from
70 time to time as though for purposes of City real property taxation according to the regular methods
71 and practices applicable to other real property of a similar classification in the City of Salisbury.

72
73 4. If at any time during the term of this Agreement, the City real property taxes are
74 less than the Payment in Lieu of Taxes (the "PILOT"); the Owner shall pay the ordinary City real
75 property taxes payable as if the property not been tax exempt.

76
77 5. For the **Fiscal Years 20__ through 205__** the Owner's annual payment in lieu of
78 taxes shall be calculated as follows:

79
80 Owner shall make payment in lieu to the City in an amount equal to the fiscal year taxes, an amount
81 of the assessed value of the property times the City tax rate minus (such subtracted amount
82 calculated as follows: $\$400 \times \text{Affordable Housing Units} = \$$ _____). No credit shall be
83 given to the Owner in the event the reduction is in excess of the City tax rate.

84 6. By June 30th of each year, the Owner shall provide to the City evidence of its
85 ongoing compliance with the requirements set forth in the above Paragraph 1. By July 30th of each
86 year, the City shall bill the Owner for the payment which is due by September 30th of that year, as
87 set forth in this Agreement.

88
89 7. Payments due hereunder will be considered delinquent thirty (30) days after the
90 due date of the bill sent to the Owner. Interest at the rate of one percent (1%) per month shall be
91 charged and collected by the City on all amounts remaining unpaid thirty (30) days after the due
92 date.
93

8. If, during the term of this Agreement, a Project fails to meet the requirements set forth in the above paragraph 1, then the Owner shall pay a sum equal to the total real property taxes which would have been due from the Owner in the absence of this Agreement, plus all interest, if any, less all amounts actually paid under this Agreement.

9. If the Owner is in default for one hundred eighty (180) days for any payment required under any of the provisions of this Agreement, the City may, at its option, declare a default by providing written notice of the default to the Owner and to the holders of all mortgages or deeds of trust. If within thirty (30) days of such notice, the payments have not been brought current, then the City may, at its option, declare all amounts due as follows: a sum equal to the total real property taxes which would have been due from the Owner in the absence of this Agreement, plus all interest, if any, less all amounts actually paid under this Agreement. To enforce its rights under this paragraph, the City may renegotiate this Agreement, foreclose, or seek any other remedy available at law or in equity. Notwithstanding anything to the contrary which is or might be contained in this agreement, payments due under this paragraph shall be considered a first lien against the Property and superior to any other liens placed upon the Property and may be collected in the same manner as City real property taxes.

10. In the event of the sale or other transfer of Owner's right, title and interest in and to the Project, which shall only occur with the express written consent of the City, which consent shall not be unreasonably withheld, Owner shall be relieved of all obligations and liabilities under this Agreement accruing after the date of such sale or transfer, and the purchaser or transferee of Owner's right, title and interest in and to the Property shall automatically, without the execution of any further documentation, become responsible for all obligations and liabilities of Owner under this Agreement accruing from and after the date of such sale or transfer. Any subsequent sales or transfers shall likewise relieve the seller or transferor of all obligations and liabilities under this Agreement accruing from and after the date of sale or transfer, and the purchaser or transferee shall automatically become responsible therefor.

11. This Agreement may be assigned to a holder of a mortgage or deed of trust in the event of a foreclosure or transfer under said mortgage or deed of trust, provided that the assignee shall be subject to the terms and conditions of this Agreement.

12. For the purposes of this Agreement, all notices shall be hand-delivered or mailed by first class mail or certified mail, return receipt requested or via overnight delivery service. Notices shall be given to the Parties as follows:

TO CITY: Office of Finance/City of Salisbury
Government Office Building
125 N. Division Street
Salisbury, MD 21801

TO OWNER:

OWNER ADDRESS

144 _____
145 _____
146 _____
147 _____
148
149 Each notice that is sent by one Party to the other Party at the listed address shall be
150 presumed to have been received three (3) days after the date of mailing; except when prior written
151 notice is given by one Party to the other that a Party or an address has changed. Notwithstanding
152 any provision to the contrary contained in this Agreement, any person or Party not listed in this
153 paragraph shall not be entitled to notice as may be required by this Agreement unless one Party
154 notifies the other Party that additional notice shall also be sent to such person or Party.
155

156 13. This Agreement shall inure to the Parties hereto and their respective successors,
157 assigns, and/or legal representatives.
158

159 14. The recitals set forth at the beginning of this Agreement shall be deemed to be a
160 part of this Agreement.
161

162 15. Mention in this Agreement of any specific right or remedy shall not preclude the
163 City from exercising any other right or remedy available at law or in equity; and the failure of the
164 City to insist in any one or more instances upon a strict or prompt performance of any obligation
165 of Owner under this Agreement, or to exercise any option, right or remedy herein contained or
166 available at law or equity, shall not be construed as a waiver or relinquishment thereof, unless
167 expressly waived in writing by the City. The waiver by the City of any breach of this Agreement
168 requires the City's written consent to any act or conduct of Owner; and knowledge of, or
169 acquiescence by the City in, any such act or conduct shall not be deemed a waiver of the
170 requirement for written consent. Exercise by the City, or the beginning of the exercise by the City,
171 of any one or more of the rights or remedies provided for in this Agreement or now or hereafter
172 existing at law or in equity or by statute or otherwise shall not be construed as an election of
173 remedies so as to preclude the simultaneous or subsequent exercise by the City of any other right
174 or remedy for such breach.
175

176 16. This Agreement contains the entire agreement of the Parties to this Agreement with
177 respect to the matters set forth herein. All other agreements and understandings of the Parties to the
178 Agreement, written or oral, if any, are merged into this Agreement.
179

180 17. This Agreement may be amended or modified in whole or in part only by an
181 agreement in writing, executed by all of the Parties to this Agreement.
182

183 18. The Parties covenant and agree with one another, upon the request of any Party to
184 this Agreement, to do, execute, acknowledge and deliver, or cause to be done, executed,
185 acknowledged or delivered, any such further act(s), deed(s), document(s), assignment(s),
186 transfer(s), conveyance(s), power(s) of attorney or assurance(s) as may be reasonably necessary or
187 desirable to give full effect to this Agreement and the transactions contemplated by the terms
188 contained herein.
189

190 19. Whenever possible, each provision and term of this Agreement shall be interpreted
191 in a manner to be effective and valid, but if any provision or term of this Agreement is adjudged
192 by a court of competent jurisdiction to be prohibited or invalid, then such provision or term will be
193 ineffective only to the extent of such prohibition or invalidity and without invalidating or affecting

194 in any manner whatsoever the remainder of such provision or term or the remaining provisions or
195 terms of this Agreement.
196

197 20. This Agreement, and all the terms and conditions contained herein, shall not be
198 construed or enforced in favor of or against any Party hereto by reason of the fact that Party or that
199 Party's agent or attorney drafted all or any part of this Agreement. Unless otherwise expressly
200 provided, the words "hereof", "herein" and "hereunder" and similar references refer to this
201 Agreement in its entirety and not to any specific section or subsection hereof, the words
202 "including" or "includes" do not limit the preceding words or terms and the word "or" is used
203 in the inclusive sense. As used herein, any reference to the masculine, feminine or neuter gender
204 shall include all genders, the plural shall include the singular, and the singular shall include the
205 plural.
206

207 21. It is understood and agreed by the execution of this Agreement that the City does
208 not waive any rights of governmental immunity which it may have in any damage suits against it,
209 and that the City reserves the right to plead governmental immunity in such suit in law or in equity
210 or such pleading as is appropriate notwithstanding the execution of this Agreement.
211

212 22. Owner shall indemnify, defend and save harmless the City and its officers,
213 employees and agents from and against any suits, actions, legal or administrative proceedings,
214 demands, claims, liabilities, fines, penalties, losses, injuries, damages, expenses or costs, including
215 interest and attorneys' fees, in any way connected with any injury to any person or damage to any
216 property or any loss to the City or third parties.
217

218 23. This Agreement shall be governed by the Maryland law and any actions between
219 the Parties hereto shall be brought in and vest jurisdiction and venue solely in the Circuit Court for
220 Wicomico County.
221

222 24. **Each of the Parties hereby expressly waive trial by jury in any action,**
223 **proceeding or counterclaim brought by any Party hereto against any other Party on any**
224 **matter whatsoever arising out of or in any way connected with this Agreement, the**
225 **relationship of the Parties to one another and/or any claim, injury or damage arising from or**
226 **consequent upon this Agreement.**
227

228 25. Each Party represents and warrants to the other Party that: **(i)** it has the full right,
229 power and authority to execute this Agreement; **(ii)** the execution and delivery of this Agreement
230 and the performance of its obligations hereunder are not prohibited by or in breach of, and the
231 provisions hereof do not conflict with, any other agreement, mortgage, contract or other instrument
232 or document to which it is a party or by which it is otherwise bound; and, **(iii)** there are no legal
233 requirements imposed upon it which prohibit or limit the execution and delivery of this Agreement
234 and the performance of its obligations hereunder.
235

236 **IN WITNESS WHEREOF**, the City has caused this Agreement to be signed in its name by the
237 Mayor of the City of Salisbury, to be attested to by the City Clerk, and to have the City Seal affixed
238 hereto; and the Owner has caused this Agreement to be signed in its name by its Authorized Agent,
239 duly attested.
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ATTEST:

OWNER:

_____ (Seal)

By: _____
Authorized Agent

ATTEST:

CITY OF SALISBURY, MARYLAND

_____ (Seal)

Jacob R. Day
MAYOR, City of Salisbury



City of
Salisbury
Jacob R. Day, Mayor

MEMO

To: Julia Glanz-City Administrator, Ron Strickler-Director HCDD
From: Christine Chestnutt-Housing & Homelessness Mgr.
Subject: Ordinance – Budget Amendment – Acceptance / Appropriation of
Additional SFY 2021 EHP (Emergency Housing Program) Funding
Date: October 13, 2021

The City of Salisbury has received an award of SFY 2021 EHP (Emergency Housing Program) funding from the Maryland Department of Housing & Community Development (DHCD), passed through the Somerset County Health Department.

Attached is an Ordinance approving a budget amendment of the City's Grant Fund to appropriate the additional \$34,000 in SFY 2021 EHP funds that have been awarded to the City of Salisbury. These funds will be utilized for the rent and utilities of the cold weather shelter, formerly known as CESP (community emergency shelter project) now known as Hands & Hearts Ending Homelessness.

Please forward this information to the City Council to be placed on their agenda for first reading at the November 1, 2021 work session, the November 8, 2021 legislative meeting, and second reading / final passage at the November 22, 2021 legislative meeting. Thank you for your assistance.

Christine Chestnutt
Housing & Homelessness Manager
HCDD

Attachments
CC: Olga Butar
Kim Nichols



Somerset County Health Department

8928 Sign Post Road, Suite 2, Westover, Maryland 21871
443.523.1700 · Fax 410.651.5680 · TDD 1-800-735-2258

Health Officer: Danielle Weber, MS, RN

MEMORANDUM OF UNDERSTANDING

SOMERSET COUNTY HEALTH DEPARTMENT AND CITY OF SALISBURY

**125 North Division Street, Salisbury, MD 21801
410-334-3031**

cchestnutt@salisbury.md

The Somerset County Health Department (SCHD) and City of Salisbury wish to coordinate services to assist households experiencing homelessness to be connected with emergency shelter, quickly regain stability in permanent housing, and to prevent households from becoming homeless. Such services are funded by The Maryland Department of Housing and Community Development (DHCD), Division of Neighborhood Revitalization.. The Emergency Housing Program (EHP) grant was funded under the State RELIEF Act, which provided \$15 million in additional funding for up to 30 days of emergency housing in order to respond to the economic crisis caused by the Covid-19 pandemic.

The following agreement entered the 27th day of July 2021, by and between Somerset County Health Department and City of Salisbury to provide emergency shelter in Wicomico County for household experiencing homelessness in Wicomico, Worcester, and Somerset County, sets forth the following deliverables:

I. The Somerset County Health Department agrees to the following:

1. SCHD will provide funding, for all invoices from The City of Salisbury for Essential Services and Shelter Operations and shall be compensated, not to exceed a total of **\$34,000** during this contract period, which compensation shall be paid only for required services actually performed. Expenses dating back to March 1, 2021 are eligible for reimbursement when submitted within the contract time frame.

Listed is the breakdown of the funding:

- a) **\$2,000** for Essential Services
- b) **\$32,000** for Shelter Operations.

**Memorandum Of Understanding
EHP FY 2021/2022
Somerset County Health Department
City of Salisbury
F389N
Page #2 of 2**

2. SCHD will provide technical assistance as needed and related to this grant.
3. SCHD will monitor compliance through review of written report documentation, review of supportive documents for allowable costs, and observation of activities during scheduled on site monitoring visits two times within the grant year.
4. SCHD will attend all DHCD meetings and trainings related to this grant and share relevant information.

II. City of Salisbury agrees to the following:

1. City of Salisbury will submit invoices to SCHD monthly with supporting documentation for services rendered. Invoice must be on contractor letterhead with Federal Tax ID/Social Security Number; 52-2156095, and amount due. Expenses dating back to March 1, 2021 are eligible for reimbursement when submitted within the contract time frame.
2. City of Salisbury will submit an invoice each month to SCHD on the 15th or no later than the 30th of each month upon signing this agreement.
3. City of Salisbury must provide full supporting documentation that is maintained on site and made available to the SCHD during scheduled monitoring visits two times during the grant year.
4. City of Salisbury will submit reports and necessary data to Somerset County Health Department as required by the Department of Housing and Community Development(DHCD).

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

Neither party to the Memorandum of Understanding shall be deemed the agency, the servant nor employee of the other, nor shall this agreement be construed as a contract to procure goods or services under the State of Maryland.

Memorandum Of Understanding
EHP grant FY 2021/2022
Somerset County Health Department
City of Salisbury
F389N
Page #3 of 3

Shannon Frey will serve as the Somerset County Health Department contact for purposes of administering this grant. She can be reached at shannon.frey@maryland.gov or by phone at 410-523-1700.

Christine Chestnut, will serve as the contact at the City of Salisbury, and will be responsible for implementation of this project. She can be reached at cchestnutt@salisbury.md or by phone at 410-341-3031.

This memorandum is effective **July 27, 2021** until **June 30, 2022** and may be terminated by either party with two weeks written notice. This memorandum may be amended only by written consent of both parties. All funds must be spent by **June 30, 2022**.

III. Signatures:

By signing below, the parties acknowledge their agreement to above terms.

Signed: 
Danielle Weber, MS, RN
Health Officer, Somerset County Health Department

Signed: 
Signature of Mayor of Salisbury or Designee

Date: 28 July 2021

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ORDINANCE NO. 2694

AN ORDINANCE OF THE CITY OF SALISBURY AUTHORIZING THE MAYOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE SOMERSET COUNTY HEALTH DEPARTMENT FOR THE PURPOSE OF ACCEPTING EMERGENCY HOUSING PROGRAM GRANT FUNDS IN THE AMOUNT OF \$34,000, AND TO APPROVE A BUDGET AMENDMENT TO THE GRANT FUND TO APPROPRIATE THESE FUNDS FOR THE 2021 COLD WEATHER SHELTER.

WHEREAS, the Maryland Department of Housing & Community Development (DHCD) has awarded SFY21 Emergency Housing Program (EHP) funding to the Somerset County Health Department; and

WHEREAS, the City of Salisbury submitted a grant application to the Somerset County Health Department for funding to support the 2021 Cold Weather Shelter; and

WHEREAS, the Somerset County Health Department has awarded the City EHP grant funds in the amount of \$34,000; and

WHEREAS, the City of Salisbury must enter into a Memorandum of Understanding with the Somerset County Health Department defining how these funds must be expended; and

WHEREAS, all funds shall be used for operational costs and essential services for the FY21 Cold Weather Shelter; 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 Memorandum of Understanding with the Somerset County Health Department, on behalf of the City of Salisbury, for the City's acceptance of grant funds in the amount of \$34,000.

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 / EHP (Somerset County Health Dept.) Revenue Account No. 10530-423604-XXXXX by \$34,000.

(b) Increase Cold Weather Shelter Operating Expense Account No. 10530-546006-XXXXX by \$34,000.

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 8th day of November, 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