

**RESOLUTION NO. 3180**

**A RESOLUTION OF THE CITY OF SALISBURY,  
MARYLAND AUTHORIZING AN APPLICATION TO  
THE MARYLAND DEPARTMENT OF COMMERCE TO  
RENEW AND EXPAND THE BOUNDARIES OF THE  
EXISTING SALISBURY- WICOMICO ENTERPRISE  
ZONE**

**WHEREAS**, the Maryland General Assembly established the Maryland Enterprise Zone Program to give local governments the legal authority to offer real property and state income tax credits for businesses located in an "Enterprise Zone" as a way to encourage economic development through job creation and investments;

**WHEREAS**, the Council of the City of Salisbury has historically participated in the Maryland Enterprise Zone Program and, with approval and authority granted by the Maryland Department of Commerce, has identified a designated Enterprise Zone;

**WHEREAS**, in order to continue to improve economic development potential, the Council of the City of Salisbury now wishes to renew and expand the boundaries of its designated Enterprise Zone, as indicated on the map attached hereto as **Exhibit 1** and fully incorporated herein;

**WHEREAS**, expansion of the Enterprise Zone requires the submission of an application to the Maryland Department of Commerce, accompanied by consent of the overlying County and evidence and certification of a public hearing held with adequate notice and publicity (at least two weeks prior to the public hearing).

**NOW, THEREFORE, BE IT RESOLVED**, on this 8<sup>th</sup> day of August, 2022, that, upon the conclusion of a public hearing held on this Resolution in the Council Chambers at the City-County Office Building in Salisbury, Maryland, the Council of the City of Salisbury, does hereby authorize the submission of the Enterprise Zone Application for Renewal and Expansion of the designated Enterprise Zone as set forth in the attached Exhibit 1.

**THE ABOVE RESOLUTION**, was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 8<sup>th</sup> day of August, 2022 and is to become effective immediately.

ATTEST:

  
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Kimberly R. Nichols, City Clerk

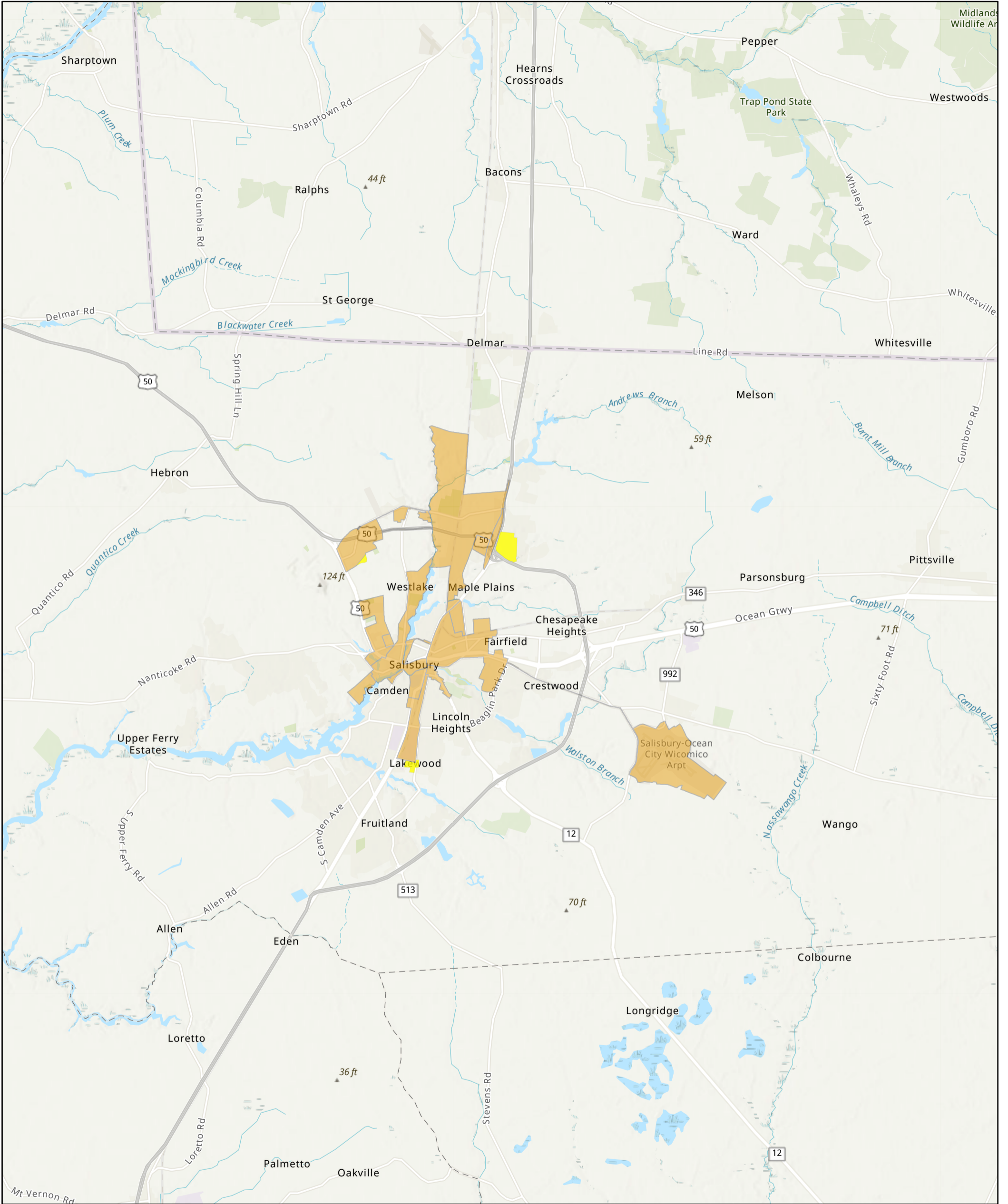
  
\_\_\_\_\_  
John R. Heath, City Council President

APPROVED BY ME THIS:

15th Day of August, 2022

  
\_\_\_\_\_  
Mayor

# Enterprise Zone Map

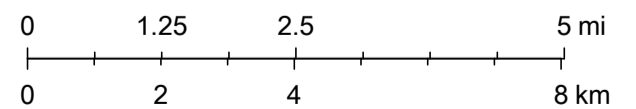


7/19/2022, 10:04:23 AM

Proposed Enterprise Zone Annexation

- Proposed
- Enterprise Zone

1:144,448



Esri, NASA, NGA, USGS, VGIN, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA

Web AppBuilder for ArcGIS



## **Memo**

To: City Administration  
From: Laura Soper  
Date: 7/19/22  
Subject: Enterprise Zone re-designation

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The Maryland Enterprise Zone program is a local economic development program established by the Maryland General Assembly that gives local governments the legal authority to offer real property and state income tax credits for businesses located in a Maryland enterprise zone in return for job creation and investments. The Salisbury-Wicomico Enterprise Zone was first designated in 1982, and gets re-designated every 10 years. As such, our current zone expires December 14, 2022 and must be re-designated through the Department of Commerce in order to maintain these benefits City & County-wide.

Included in this packet is a Resolution approving the re-designation and expansion of our Zone, as well as a map of the area. This application is due to the Department of Commerce by October 15, 2022 and will also go in front of County Council for a Public Hearing and their vote.

Since the program's inception, 82 businesses have applied for and received Enterprise Zone benefits. As it stands, the current Enterprise Zone is mainly comprised of Downtown Salisbury and surrounding areas, a small retail stretch by Salisbury University, and both Northwood and Westwood Industrial Parks. The proposed expansion is in three areas, the first in Westwood Commerce Park to clean up a parcel that was previously bisected. The second area is the Centre at Salisbury, and the third is a commercial pocket at the south end of Salisbury University by student apartment communities. In order to apply to add these areas, it needs to be demonstrated that they are in a State-designated Priority Funding Area and meet the requirements as set forth in Economic Development Artist 5-704. These three areas qualify under the criteria of demonstrating that it is a low-income poverty area. If approved, they would add an additional 155.55 acres to the existing 5,281 acre zone.

In order to qualify for the Enterprise Zone credits, an applicant must plan to make a capital investment in its commercial property of \$50,000 or more (Real Property Credit) or must hire two or more full time employees that are paid 150% of the federal minimum wage (State Income Tax Credit). The Real Property credit is a ten-year credit against local property taxes is available to companies that locate, expand, or substantially improve business properties in the Enterprise Zone. The property tax credit is equal to 80% of the difference between the base value of the property (the assessment in the year prior to new construction, expansion, or substantial improvement) and the newly assessed value of the property after the investment is made. The property tax credit is 80% for five years. During the last five years, the property tax credit declines 10% annually; the credit is 70%, 60%, 50%, 40%, and 30% respectively. This tax credit is administered to the real property owner in their Property Taxes. The State Income credit is a one-time credit of \$1,000 per new employee hired.