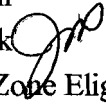


I N T E R

O F F I C E

MEMO

Office of the Mayor

To: City Council
From: John R. Pick 
Subject: Enterprise Zone Eligibility - Delmarva Power Sports, LLC
Date: August 1, 2005

Attached is a copy of the application requesting Enterprise Zone designation from Chuck Vane of Delmarva Power Sports, LLC. I have reviewed this application and, to the best of my knowledge, this establishment meets all of the qualifications to be so designated. This property is located within the boundaries of the City's Enterprise Zone and they have recently invested more than \$50,000 in the property. They also qualify for the income tax credit because of the jobs they have created since locating to the zone.

I recommend that the City Council adopt the attached resolution designating Delmarva Power Sports, LLC, located at 1611 North Salisbury Boulevard, eligible to receive the benefits of the Enterprise Zone.

The Mayor concurs with this recommendation.

As a reminder, companies that are declared eligible for enterprise zone benefits are able to receive both income tax and property tax benefits for ten years. The purpose of this program is to encourage industries to locate in areas identified as enterprise zones and to reinvest in such properties.

/km

cc: Mayor Tilghman
Brenda Colegrove

- / -

REQUEST FOR STATE ENTERPRISE ZONE QUALIFICATION
IN THE CITY OF SALISBURY

This application allows us to determine whether or not your business is eligible to receive Enterprise Zone benefits. Please return the application to:

John R. Pick, City Administrator
City of Salisbury
125 North Division Street
Salisbury, MD 21801-4940

If determined eligible, you will receive a letter confirming this determination from the City of Salisbury. Keep the letter as proof of your Enterprise Zone certification.

GENERAL INFORMATION NEEDED:

NAME OF FIRM: Delmarva Power Sports, LLC

CONTACT PERSON: Chuck Vane PHONE: 410-749-2453

PRESENT LOCATION: 1611 W. Salisbury Blvd. Salisbury MD 21801

TYPE OF BUSINESS: Motorcycle Dealer

FEDERAL TAX ID NO. 43-2019519 NAICS CODE: _____

HOW LONG IN THIS LOCATION: 1 year 6 mos.

OWNER OF REAL PROPERTY WHERE BUSINESS IS LOCATED: CPI Properties, LLC

ADDRESS OF OWNER: P.O. Box 1781 Salisbury MD
21802

OUR COMPANY QUALIFIES FOR ENTERPRISE ZONE BENEFITS BECAUSE (CHECK ALL THAT APPLY):

G WE HAVE CREATED MORE THAN TWO FULL-TIME POSITIONS SINCE LOCATING IN THE ENTERPRISE ZONE*.

* (EMPLOYEES WORKING IN EXCESS OF 35 HOURS PER WEEK ON AVERAGE ARE CONSIDERED FULL TIME.)

WE HAVE INVESTED MORE THAN \$50,000 IN OUR PROPERTY LOCATED IN THE ENTERPRISE ZONE.

IF COMPANY QUALIFIES FOR ENTERPRISE ZONE BENEFITS DUE TO JOB CREATION, PLEASE COMPLETE THE FOLLOWING:

DATE COMPANY LOCATED IN THE ENTERPRISE ZONE: 9/30/03

NUMBER OF FULL-TIME EMPLOYEES EMPLOYED AT THIS LOCATION ON THE DATE COMPANY LOCATED IN THE ENTERPRISE ZONE: 0

CURRENT NUMBER OF FULL-TIME EMPLOYEES EMPLOYED AT THIS LOCATION: 13 6 added 2003, 6 hired 2004
1 hired to date 2005

IF COMPANY QUALIFIES FOR ENTERPRISE ZONE BENEFITS DUE TO INVESTMENT IN THE PROPERTY, PLEASE COMPLETE THE FOLLOWING:

APPROXIMATE DATE ON WHICH IMPROVEMENTS WERE COMPLETED: June 30, 2005

G BRIEFLY DESCRIBE IMPROVEMENTS: adding 7200 sq. ft. of service area and warehouse space.

G APPROXIMATE COST OF IMPROVEMENTS: \$200,000

RESOLUTION NO. 1281

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND
DECLARING THAT DELMARVA POWER SPORTS, LLC, LOCATED AT 1611 NORTH
SALISBURY BOULEVARD, IS ELIGIBLE TO RECEIVE ENTERPRISE ZONE BENEFITS**

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

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

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

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

WHEREAS, Delmarva Power Sports, LLC, located at 1611 North Salisbury Boulevard, meets the standards set forth in the State Code and in local regulations to be eligible to receive Enterprise Zone benefits; and

WHEREAS, Chuck Vane has requested that the company be designated as eligible for Enterprise Zone benefits due to their recent investment in the property and the jobs created;

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

The above Resolution was introduced and read and passed at the regular meeting of the Salisbury City Council on the ___ day of August, 2005.

Brenda J. Colegrove
CITY CLERK

Michael P. Dunn
PRESIDENT, City Council

APPROVED by me this
___ day of August, 2005

Barrie P. Tilghman
MAYOR, City of Salisbury