

# ENROLLED

## COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND

2021 LEGISLATIVE SESSION

LEGISLATIVE DAY NO. 14

### LEGISLATIVE BILL 2021-02

INTRODUCED: July 20, 2021

INTRODUCED BY: The President of the Council at the request of the Acting County Executive.

AN ACT TO AMEND CHAPTER 90 OF THE WICOMICO COUNTY CODE, TITLED "TAX EXEMPTIONS," TO ADD SECTION 90-7 TO BE TITLED HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT PROPERTY TAX CREDIT TO PROVIDE A REAL PROPERTY TAX CREDIT TO HOTEL AND MULTIFAMILY RESIDENTIAL DEVELOPMENT TO ENCOURAGE REVITALIZATION IN WICOMICO COUNTY, MARYLAND.

WHEREAS, Wicomico County seeks to incentivize the construction or renovation of hotel or multifamily residential development in Wicomico County in order to increase the amount of economic activity in the County; and

WHEREAS, providing a hotel and multifamily residential development property tax credit will encourage financially responsible businesses to construct or renovate a hotel or multifamily residential development in Wicomico County, which may further result in positive economic and social impacts, including, but not limited to increases in cultural activity opportunities, employment opportunities and business activities; and

WHEREAS, Wicomico County Finance Department will process applications connected to this property tax credit to ensure compliance with the Program and shall receive and approve all applications before benefits of this tax exemption program are approved and granted to developers; and

WHEREAS, Wicomico County shall develop a hotel or multifamily residential development property tax credit guidelines and applications with specific requirements that shall be monitored and administered by the Department of Finance in order to ensure that all information and submissions are correct and properly considered; and

WHEREAS, Maryland Annotated Code, Tax-Property Article, Section 9-324 authorizes Wicomico County to provide a property tax credit for hotel or multifamily residential development.

**SECTION I:** BE IT ENACTED AND ORDAINED BY THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND, IN LEGISLATIVE SESSION, that, Chapter 90 of the Code of Wicomico County, Maryland, titled "Tax Exemptions" be amended to add Section 90-7 entitled "Hotel or Multifamily Residential Development Property Tax Credit," to read as follows:

CHAPTER 90  
TAX EXEMPTIONS

SECTION 90-7. HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT PROPERTY TAX CREDIT.

- A. ESTABLISHMENT. THE WICOMICO COUNTY HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT PROPERTY TAX CREDIT IS HEREBY ESTABLISHED.
- B. BOUNDARIES. THE BOUNDARIES OF THE WICOMICO COUNTY HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT DISTRICT ARE SHOWN ON A MAP THAT IS ON FILE IN THE OFFICE OF THE COUNTY COUNCIL AND THE FINANCE DEPARTMENT, AND A COPY OF THE MAP IS ATTACHED AND MADE A PART OF THIS LEGISLATION AS EXHIBIT "A."
- C. CREDIT GRANTED.
1. IN ACCORDANCE WITH MARYLAND ANNOTATED CODE, TAX-PROPERTY ARTICLE, SECTION 9-324, A REAL PROPERTY TAX CREDIT IS GRANTED AGAINST THE COUNTY REAL PROPERTY TAX IMPOSED ON A HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT THAT:
- (A) IS LOCATED IN THE WICOMICO COUNTY HOTEL AND MULTIFAMILY RESIDENTIAL DEVELOPMENT DISTRICT DESCRIBED IN PARAGRAPH B ABOVE; AND
  - (B) UPON COMPLETION, EACH ELIGIBLE PHASE OF HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT INCREASES THE ASSESSED VALUE OF THE REAL PROPERTY BY AT LEAST \$10,000,000.00 ABOVE THE ASSESSMENT BEFORE CONSTRUCTION OR RENOVATION.
  - (C) IS TO BE CONSTRUCTED OR RENOVATED AFTER THE EFFECTIVE DATE OF THIS BILL; AND
  - (D) "HOTEL" HAS THE MEANING SET FORTH IN SECTION 225-25 OF THE COUNTY CODE; AND
  - (E) "RESIDENCE" HAS THE MEANING SET FORTH IN SECTION 225-25 OF THE COUNTY CODE.
  - (F) "MULTIFAMILY" HAS THE MEANING SET FORTH IN SECTION 225-25 OF THE COUNTY CODE.
- D. AMOUNT OF CREDIT. THE AMOUNT OF THE COUNTY PROPERTY TAX CREDIT SHALL BE CALCULATED ON THE INCREASED ASSESSMENT OF

THE ELIGIBLE PROPERTY ABOVE THE ASSESSMENT BEFORE CONSTRUCTION OR RENOVATION AS FOLLOWS:

1. TAX YEAR ONE – TAX YEAR FIVE: 80% OF THE INCREASED PROPERTY TAX;
2. TAX YEAR SIX: 70% OF THE INCREASED PROPERTY TAX;
3. TAX YEAR SEVEN: 60% OF THE INCREASED PROPERTY TAX;
4. TAX YEAR EIGHT: 50% OF THE INCREASED PROPERTY TAX;
5. TAX YEAR NINE: 40 % OF THE INCREASED PROPERTY TAX; AND
6. TAX YEAR TEN: 30% OF THE INCREASED PROPERTY TAX.

E. DURATION. THE COUNTY PROPERTY TAX CREDIT SHALL BE AVAILABLE FOR A PERIOD NOT TO EXCEED TEN (10) CONSECUTIVE TAX YEARS. THE FIRST TAX YEAR THE TAX CREDIT SHALL BECOME AVAILABLE FOR AN ELIGIBLE BUILDING SHALL BE THE FIRST YEAR IN WHICH A BUILDING'S PROPERTY TAXES WOULD INCREASE DUE TO CONSTRUCTION OR RENOVATION.

F. PROPERTY TAX CREDIT TRANSFERABILITY. THE PROPERTY TAX CREDIT GRANTED BY THIS SECTION MAY BE TRANSFERRED TO A PURCHASER OF THE PROPERTY FOR THE REMAINING TERM OF THE PROPERTY TAX CREDIT.

G. APPLICATIONS.

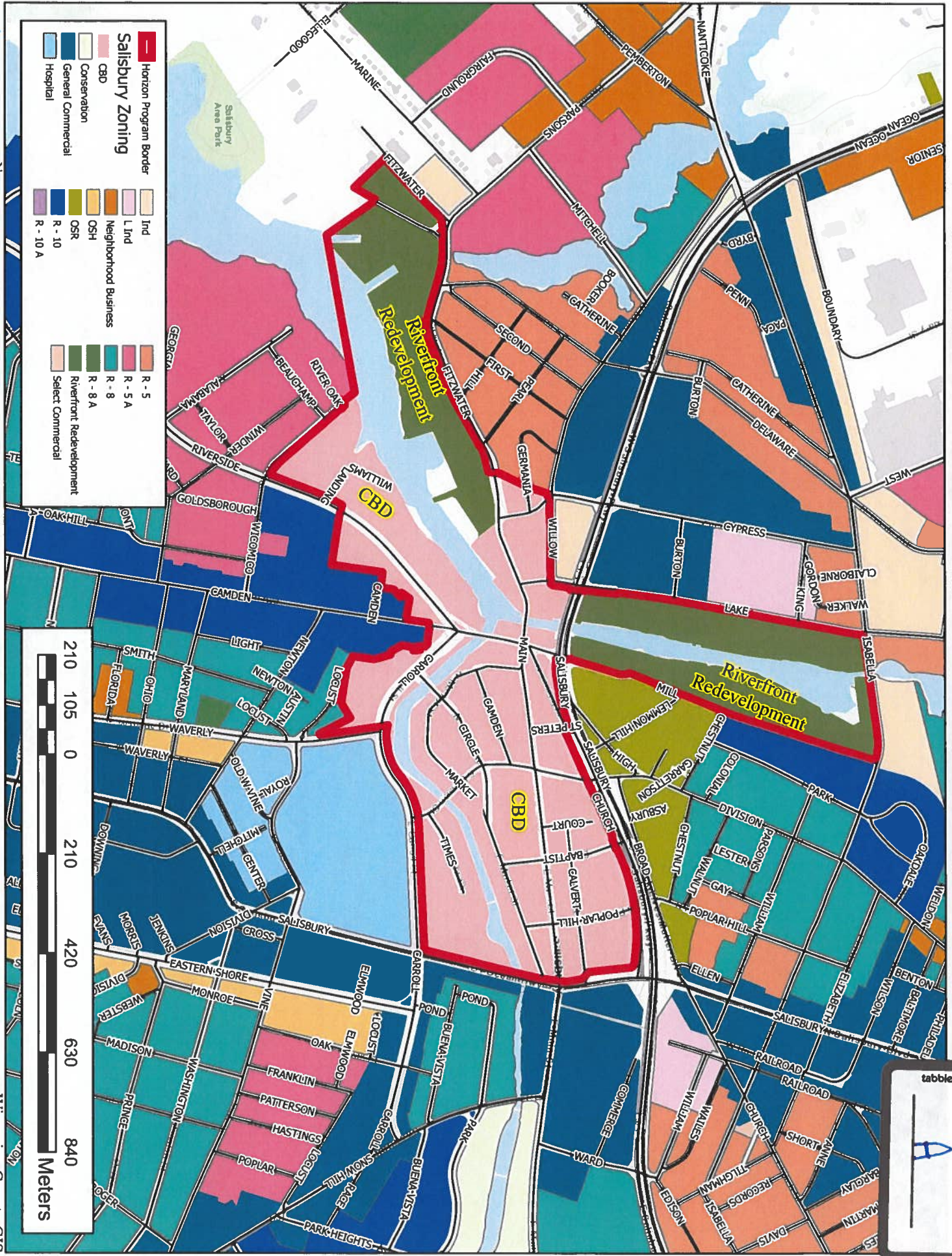
1. A PROPERTY OWNER MUST APPLY FOR A PROPERTY TAX CREDIT UNDER THIS SECTION BY SUBMITTING AN APPLICATION TO THE WICOMICO COUNTY FINANCE DEPARTMENT WITHIN NINETY (90) DAYS OF RECEIPT OF AN ASSESSMENT NOTICE REFLECTING THE RENOVATIONS OR CONSTRUCTION IMPROVEMENTS.
2. AFTER REVIEW BY THE FINANCE DEPARTMENT, THE APPLICATION SHALL BE SUBMITTED FOR APPROVAL BY THE COUNTY EXECUTIVE AND THE COUNTY COUNCIL BY RESOLUTION.
3. RENOVATIONS OR CONSTRUCTION IMPROVEMENTS MADE BEFORE JULY 1, 2021, DO NOT QUALIFY FOR A PROPERTY TAX CREDIT UNDER THIS SECTION.

H. RENEWAL OR REEVALUATION. THE HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT PROPERTY TAX CREDIT SHALL BE REEVALUATED BY THE COUNTY COUNCIL AND EXECUTIVE EVERY THREE (3) YEARS, AND THE COUNTY COUNCIL AND EXECUTIVE MAY APPROVE MODIFICATIONS, SUSPENSION OR TERMINATION OF THE TAX



**Salisbury Zoning**

	Horizon Program Border		Ind		Hospital
	CBD		Conservation		General Commercial
	Neighborhood Business		R - 5		Riverfront Redevelopment
	OSR		R - 5 A		Select Commercial
	R - 8 A		R - 8		Riverfront Redevelopment
	R - 10		R - 8 A		Select Commercial
	R - 10 A		R - 10		Riverfront Redevelopment
	R - 10 A		R - 10 A		Select Commercial



COUNTY COUNCIL  
OF  
WICOMICO COUNTY, MARYLAND

2021 Legislative Session

Legislative Day No. 16

**LEGISLATIVE BILL NO. 2021-02**


**INTRODUCED BY:** President of the Council at the request of the Acting County Executive

**Bill No. 2021-02:** AN ACT TO AMEND CHAPTER 90 OF THE WICOMICO COUNTY CODE, TITLED "TAX EXEMPTIONS," TO ADD SECTION 90-7 TO BE TITLED HOTEL OR MULTIFAMILY RESIDENTIAL DEVELOPMENT PROPERTY TAX CREDIT TO PROVIDE A REAL PROPERTY TAX CREDIT TO HOTEL AND MULTIFAMILY RESIDENTIAL DEVELOPMENT TO ENCOURAGE REVITALIZATION IN WICOMICO COUNTY, MARYLAND

Introduced and read first time on July 14, 2021. Ordered posted and public hearing scheduled for August 17, 2021 at 10:00 a.m.

  
\_\_\_\_\_  
Laura Hurley, Council Administrator


**PUBLIC HEARING:** Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, the Bill was read for a second time at a public hearing held on August 17, 2021.

  
\_\_\_\_\_  
Laura Hurley, Council Administrator

**CERTIFICATION:** The undersigned hereby certifies that this Bill was Approved and Adopted by the County Council of Wicomico County, Maryland, on the 17<sup>th</sup> day of August, 2021.

  
\_\_\_\_\_  
Laura Hurley, Council Administrator

Presented to the Acting County Executive for approval this 19<sup>th</sup> day of August at 4:45 p.m. (5 days §411)

  
\_\_\_\_\_  
Laura Hurley, Council Administrator

**BY THE ACTING COUNTY EXECUTIVE:**

  
\_\_\_\_\_  
Acting County Executive

APPROVED  
Date: 8/20/2021  
(21 days §411)

VETOED

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

**BY THE COUNCIL:**

Option One: This Bill, having been approved by the Acting County Executive and returned to the Council, becomes law on August 20, 2021 and effective on: October 19, 2021.  
(60 days §311)

Option Two: This Bill, having received neither the approval nor the disapproval of the Acting County Executive with 21 days of its presentation, stands enacted on \_\_\_\_\_ and becomes effective on \_\_\_\_\_.  
(60 days §311)

Option Three: This Bill, being exempt from the Executive Veto stands enacted on \_\_\_\_\_ and becomes effective on \_\_\_\_\_. (Charter Section 305)

**ENROLLMENT:** Legislative Bill No. 2021-02 is herewith submitted to the County Council of Wicomico County for enrollment as being the text as finally passed.

  
\_\_\_\_\_  
Laura Hurley, Council Administrator

CREDIT PROGRAM AT ANY TIME BY RESOLUTION OF THE COUNTY COUNCIL. ANY APPROVED TAX CREDIT SHALL NOT BE AFFECTED BY MODIFICATION, SUSPENSION OR TERMINATION OF THE TAX CREDIT PROGRAM.

SECTION II: BE IT FURTHER ENACTED AND ORDAINED BY THE COUNTY COUNCIL OF WICOMICO COUNTY, MARYLAND, IN LEGISLATIVE SESSION THAT this bill shall be known as Legislative Bill No. 2021-02 and shall take effect sixty (60) days after its enactment, unless a proper Petition for Referendum thereof shall be filed prior to said date; in which event, the Bill shall not take effect until the expiration of thirty (30) days following the approval of this Bill by a majority of the qualified voters of the County voting in any such referendum.

Certified correct as passed and adopted by the County Council of Wicomico County, Maryland this 17<sup>th</sup> day of August, 2021.

WICOMICO COUNTY, MARYLAND

Larry W. Dodd (SEAL)

By: Larry W. Dodd, President

Laura Hurley (SEAL)

By: Laura Hurley, Secretary

I HEREBY CERTIFY that copies of the above Bill are available to the public, the press and other news media at the time of its introduction.

Laura Hurley (SEAL)

By: Laura Hurley, Secretary

Explanation:

~~Strike Out indicates matters deleted from existing law.~~

CAPITALS INDICATE MATTERS ADDED TO EXISTING LAW.

~~CAPITAL STRIKE OUT~~ indicates matter stricken from Bill by Amendment.

Underlining indicates Amendments to Bill