

**TOWN OF ROCK HALL, MARYLAND**

**RESOLUTION NO. 2022-02**

**Approval of Enterprize Zone Tax Credit**

A Resolution of the Council of the Town of Rock Hall approving an Enterprise Zone Tax Credit against the increase in Town and County taxes resulting from certain capital improvements to certain real property within the corporate limits of the Town of Rock Hall.

**RECITALS**

WHEREAS, pursuant to Resolution No. 2021-05, adopted and effective on October 4, 2021, the Council of the Town of Rock Hall (the "Council") requested that the Maryland Department of Commerce designate a "Rock Hall Enterprise Zone," which designation became effective December 14, 2021 (the "Enterprise Zone"); and

WHEREAS, pursuant to Md. Code Ann., Tax-Property § 9-103, the Council agreed to make available real property tax credits for properties within the Enterprise Zone to facilitate capital investment therein and to certify the creation of new employment opportunities by qualified businesses located therein for those businesses being eligible for certain State income tax credits; and

WHEREAS, SB RHL, LLC (the "Owner") is the owner of all that real property located at 5681 S. Hawthorne Road and Sharp Street in the Town of Rock Hall (the "Town"), commonly known as "Rock Hall Landing," Tax Identification Nos. 05-027349, 05-027403, and 05-027322 (the "Property"); and

WHEREAS, the Property is located within the Enterprise Zone; and

WHEREAS, the Owner has made capital improvements in the Property totaling approximately \$4,200,000 (the "Capital Improvements"); and

WHEREAS, the Capital Improvements include approximately \$600,000 in renovations, including the motel rooms, outdoor recreation area, and motel/marina office, which renovations will increase the occupancy rate and average daily rate, thereby increasing lodging tax revenue and tourism, which is an essential part of the Town's economy; and

WHEREAS, the Property has two full-time employees and approximately seven seasonal employees, thus providing local jobs in the Town.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COUNCIL OF THE TOWN OF ROCK HALL:

1. The Recitals to this Resolution are deemed a substantive part of this Resolution and incorporated by reference herein.

2. The Owner of the Property shall receive a real property tax credit against the increase in Town and County taxes resulting from the Capital Improvements, which credit shall

be eighty percent (80%) of the assessment for the first five (5) taxable years and then decreasing by ten percent (10%) each year thereafter to thirty (30%) percent in the tenth (10<sup>th</sup>) year.

3. This Resolution shall become effective immediately upon its adoption.

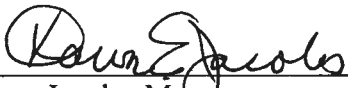
ADOPTED AND EFFECTIVE this 12<sup>th</sup> day of May, 2022.

VOTE


YEAS 5

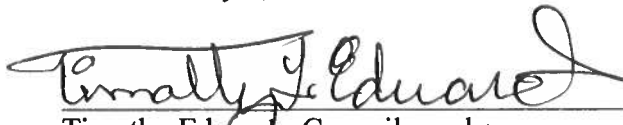
NAYS 0

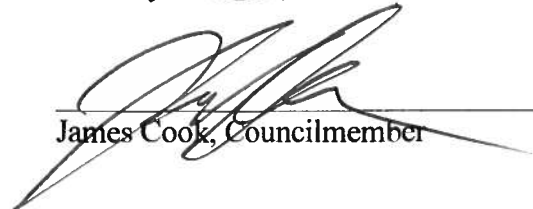
ABSTAINING 0

  
Dawn Jacobs, Mayor

  
Carolyn Jones, Council Vice Mayor

  
Eleanor Collyer, Councilmember

  
Timothy Edwards, Councilmember

  
James Cook, Councilmember

Approved as to form:

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Patrick W. Thomas, Town Attorney

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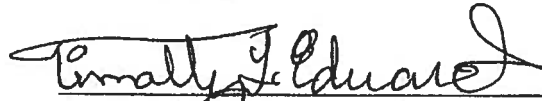
NAYS 0

ABSTAINING 0

  
Dawn Jacobs, Mayor

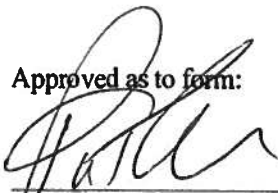
  
Carolyn Jones, Council Vice Mayor

  
Eleanor Collyer, Councilmember

  
Timothy Edwards, Councilmember

  
James Cook, Councilmember

Approved as to form:

  
Patrick W. Thomas, Town Attorney