Ordinance Number 724

AN ORDINANCE OF THE CITY OF CRISFIELD AMENDING CHAPTER 100 OF THE CRISFIELD CITY CODE ENTITLED TAXATION.

WHEREAS, Article VI of the City of Crisfield Charter, entitled "Finance" provides for the assessment and taxation of "all real and all tangible personal property within the corporate limits of the City"; and,

WHEREAS, the Tax-Property Article of the Annotated Code of Maryland, Section 7-514 allows for a municipal corporation to enter into an agreement with the owner of a facility for the generation of electricity that is located or locates in the municipal corporation for a negotiated payment by the owner in lieu of taxes on the facility; and,

WHEREAS, the Mayor and City Council have determined that the option for a payment by the owner in lieu of taxes on a solar energy system, medium scale facility would be beneficial;

NOW THEREFORE, be it enacted and ordained by the Mayor and City Council of the City of Crisfield that Chapter 100 of the Crisfield City Code is hereby amended to establish "Article III Payment in Lieu of Taxes" and provision therein and shall include the following sections with language being adding in capitalized lettering, language being deleted by amendment appearing in strike through and language added by amendment appearing in capitalized and underlined:

Chapter 100 Taxation

ARTICLE III PAYMENT IN LIEU OF TAXES

100-8 APPLICABILITY

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THE OPERATOR OF A SOLAR ENERGY SYSTEM, MEDIUM SCALE, MAY, UPON AGREEMENT WITH THE CITY, ENTER INTO A PAYMENT IN LIEU OF TAXES FOR THE PERSONAL PROPERTY AT THE FACILITY FOR THE GENERATION OF ELECTRICITY THAT IS LOCATED OR LOCATES IN THE CITY OF CRISFIELD.

100-9 AGREEMENT

A. IF THE CITY AND AN OPERATOR OF A SOLAR ENERGY SYSTEM, MEDIUM SCALE, AGREE TO ENTER INTO A PAYMENT IN LIEU OF TAXES FOR THE PERSONAL PROPERTY AT A FACILITY FOR THE GENERATION OF ELECTRICITY THE AGREEMENT SHALL BE IN WRITING.

B. THE AGREEMENT FOR A NEGOTIATED PAYMENT IN LIEU OF TAXES UNDER THIS SECTION SHALL PROVIDE:

(1) A SPECIFIED TERM;

(2) A SPECIFIED AMOUNT EACH YEAR IN LIEU OF THE PAYMENT OF MUNICIPAL CORPORATION PERSONAL PROPERTY TAX; AND

(3) ALL OR A SPECIFIED PART OF THE PERSONAL PROPERTY AT THE FACILITY THAT SHALL BE EXEMPT FROM MUNICIPAL CORPORATION PROPERTY TAX FOR THE TERM OF THE AGREEMENT.

C. THE AGREEMENT IS NOT ABROGATED BY THE CHANGE IN OWNERSHIP TO EITHER THE REAL PROPERTY OR THE OPERATOR OF THE SOLAR ENERGY SYSTEM WHICH ARE SUBJECT TO THE AGREEMENT.

100-10 DISTRIBUTION OF PAYMENT.

THE CITY SHALL DISTRIBUTE THE NEGOTIATED PAYMENT IN LIEU OF TAXES COLLECTED BY THE CITY UNDER THIS ARTICLE TO THE GENERAL FUND OF THE CITY.

<u>Section 2</u>. It is the intention of the Mayor and Council of the City of Crisfield that each provision of this Ordinance shall be deemed independent of all other provisions herein.

<u>Section 3</u>. It is further the intention of the Mayor and Council of the City of Crisfield 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.

<u>Section 4</u>. 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 4.

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

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK] [SIGNATURES APPEAR ON THE PAGE THAT FOLLOWS]

THIS ORDINANCE was introduced and read at a Meeting of the Mayor and Council of the City of Crisfield held on the 24^{-1} day of _______, 2024, and, a public hearing was held on the 3^{-1} day of _______, 2024, following which a second reading occurred and was passed by the Council of the City of Crisfield on the 3^{-1} day of _______, 2024.

ATTEST:

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Jøyce'L. Morgan, City Clerk-Treasurer President

ankford City **Council Vice**

Eric Banks, Councilman

Willow mill

Casey Goldsborough, Councilman

LaVerne Johnson, Councilwoman

Ruthie Todd, Councilwoman

day of May pproved, this 2024. Darlene M. Taylor, Mayor

This Ordinance shall be effective at the expiration of 20 calendar days following approval by the Mayor or passage by the Council over veto. A fair summary of each ordinance shall be published at least twice in a newspaper or newspapers having general circulation in the municipality, and a statement inviting interested persons to view the complete text of the ordinance at City Hall during regular business hours shall be appended to that published summary.