

RESOLUTION NO. 2014

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND ACCEPTING THE DONATION OF LAND LOCATED AT 407 ANNE ST., 412 ANNE ST., 501 ANNE ST., 503 ANNE ST., 505 ANNE ST., AND 621 SHORT ST. AND KNOWN AS THE ANDERSON PROPERTY AND AUTHORIZING THE MAYOR TO SIGN THE ATTACHED DONATION AGREEMENT

WHEREAS, the City of Salisbury is interested in the revitalization of the Church St. neighborhood; and

WHEREAS, the property located at 407 Anne St., 412 Anne St., 501 Anne St., 503 Anne St., 505 Anne St., and 621 Short St. and owned by the Charles R. Anderson Revocable Trust, which was the location of the Linens of the Week commercial laundry for many years has recently become vacant; and

WHEREAS, there are old, out-moded industrial buildings located on the property, which have the potential to become a blighting influence on the neighborhood; and

WHEREAS, the City believes that the revitalization of this area can be facilitated if the City is able to gain control of the Anderson property; and

WHEREAS, the City believes that this property has the potential to be redeveloped for low-mod income housing and community purposes; and

WHEREAS, the Charles R. Anderson Revocable Trust has agreed to donate the above referenced property to the City of Salisbury; and

WHEREAS, the City of Salisbury agrees to accept the donation of this property subject to the conditions outlined in the attached Donation Agreement;

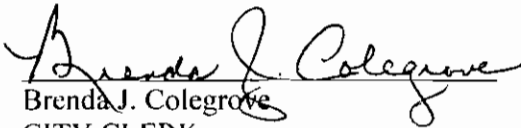
NOW, THEREFORE, BE IT RESOLVED that the Salisbury City Council hereby accepts the donation of the land owned by the Charles R. Anderson Revocable Trust and located at 407 Anne St., 412 Anne St., 501 Anne St., 503 Anne St., 505 Anne St., and 621 Short St. subject to the terms and conditions outlined in the attached Donation Agreement;

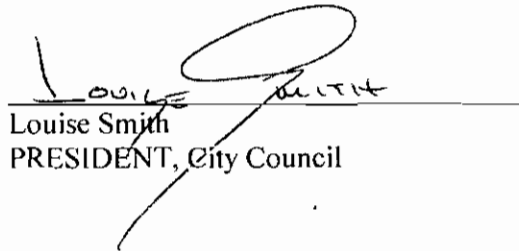
AND, BE IT FURTHER RESOLVED that the Salisbury City Council authorizes the Mayor to sign the attached Donation Agreement on behalf of the City;

AND, BE IT FURTHER RESOLVED that the Salisbury City Council directs the City Attorney to prepare the necessary deed and other documents to accomplish this transaction as quickly as possible.

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 10<sup>th</sup> day of January, 2011 and is to become effective immediately upon adoption.

ATTEST:

  
Brenda J. Colegrove  
CITY CLERK

  
Louise Smith  
PRESIDENT, City Council

APPROVED BY ME THIS  
14<sup>th</sup> day of January, 2011.

  
James Ireton, Jr.  
MAYOR, City of Salisbury

## DONATION AGREEMENT

THIS AGREEMENT is made this \_\_\_\_ day of January, 2011, by and between the Charles R. Anderson Revocable Trust ("Donor"), and City of Salisbury, Maryland, a Maryland municipal corporation ("Donee").

NOW, THEREFORE, in consideration of the mutual covenants of Donor and Donee set forth below and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, Donor and Donee agree as follows:

### 1. AGREEMENT OF DONATION

Donor shall donate and convey to Donee by a Trustee's Deed and Donee shall accept from Donor under the terms and conditions set forth in this Agreement, all those parcels of land located in the City of Salisbury, Wicomico County, State of Maryland, owned by Donor and fronting on Anne Street and Short Street, as further described on Exhibit "A" attached to and made a part of this Agreement (the "Property").

### 2. CONDITION OF PROPERTY; AS-IS DONATION

(a) Donee has inspected the Property and is fully familiar with the physical and environmental condition of the Property and its zoning and development status. Donee acknowledges that Donor has provided to Donee all of the information that Donee has requested including, but not limited to, the Environmental Consultants and Contractors, Inc. ("ECC") June 18, 2009 Underground Storage Tank Closure Report and the ECC November 4, 2009 Phase II Environmental Site Assessment Report. At the time of settlement, Donee shall accept the Property in its "as is" condition as of the date of this Agreement, with all faults, without any warranty of any kind either express or implied, and subject to natural changes occurring prior to settlement. In entering into this Agreement, Donee has not been induced by and has not relied upon any representations, warranties or statements about the Property, whether express or implied, oral or written, made by Donor or any other party whatsoever which are not expressly set forth in this Agreement.

(b) Without limiting the generality of Paragraph 2(a), Donee acknowledges that Donor does not make any representation or warranty with regard to (i) the value, profitability, development potential, or marketability of the Property; (ii) the fitness of the Property for any particular present or future purpose; (iii) the compliance or noncompliance of the Property with any laws, rules, regulations, orders or requirements of governmental authorities, including, but not limited to, those pertaining to the handling, generating, treating, storing or disposing of any hazardous waste, hazardous material, or toxic substance ("Environmental Laws"); (iv) the presence

or absence of any hazardous waste, hazardous material or toxic substance on, within, or about the Property, whether or not proscribed by Environmental Laws; (v) the presence, absence, or delineation of any wetlands upon the Property, as defined by applicable law or regulation; (vi) the availability, adequacy, or cost of water, sewer, and other utility service to the Property; (vii) the condition of soils on the Property; or (viii) the condition of any buildings or structures on the Property. Donee releases Donor and its trustee(s), beneficiaries of the trust, his, her or their successors, agents, personal representatives, heirs, devisees, and assigns (collectively, "Donor's Affiliates") from any liability relating to the matters referred to in this Paragraph 2(b).

(c) Donee agrees to indemnify Donor and Donor's Affiliates and any employees of any of them (collectively called "Indemnitees") for, and to save all of them harmless against, any and all damages, costs, liabilities, judgments, proceedings and other obligations and claims of any kind (including, without limitation, providing legal representation to defend against the same, and/or indemnification to Donor for its reasonable attorneys' fees incurred either in defense of any such claim, and/or in enforcing the provisions of this condition) which may be imposed on, or asserted against, any of the Indemnitees at any time because of, or in connection with, the Property, or of any portion of the Property, at any time. The indemnity and save harmless obligations will include (without limitation) liabilities and obligations of any kind which may arise out of, or pertain to, alleged and/or actual environmental contamination of any kind which may exist in, on, under, or in the vicinity of the Property, or which may affect any portion of the Property. The indemnity and save harmless obligations will also include, without limitation, providing legal representation to defend against the liabilities provided above, and/or indemnification to Donor for its reasonable attorneys' fees incurred either in defense of any such claim, and/or in enforcing the provisions of this indemnity.

(d) Upon completion of the donation of Property addressed in this Agreement, Donor and Donor's Affiliates are unconditionally and fully released and discharged from their respective obligations, claims, actions and liabilities, past, present, and future, of whatever kind or character, known or unknown, by reason of, growing out of, arising out of or existing in connection with the Property.

### 3. TIME AND PLACE OF SETTLEMENT - TENDER OF PERFORMANCE

Settlement under this Agreement shall be held on the date mutually acceptable to Donor and Donee but in no event later than forty-five (45) days from the date of this Agreement.

### 4. ADJUSTMENTS AT SETTLEMENT

Real estate taxes (general and special), school taxes, metropolitan district charges, water and sewer annual front-foot benefit charges and special assessments for public improvements are to be adjusted to the date of settlement and thereafter assumed and paid for by Donee.

### 5. SETTLEMENT COSTS

All costs of settlement (including, but not limited to, examination of title, title

insurance, survey, tax certificates, preparation of the deed, notary fees, and recording charges) are to be at the cost of Donee. All recordation and transfer taxes (if any) shall be paid for by Donee.

6. NOTICES

All notices and other communications under this Agreement shall be in writing and shall be deemed duly given if (a) personally delivered, with signed receipt, (b) sent by a commercial overnight courier which requires a signed receipt upon delivery, (c) mailed by certified mail, return receipt requested, first class, postage prepaid, or (d) sent by telecopier, provided that the "hard" copy is sent to the other party the same day by one of the preceding methods.

Notices to Donor shall be sent to:

The Charles R. Anderson Revocable Trust  
Attn: Ms. Virginia Anderson  
330 West Bay Drive  
Venice, Florida 34285

With a copy to:

James B. Witkin, Esq.  
Linowes and Blocher LLP  
7200 Wisconsin Avenue, Suite 800  
Bethesda, Maryland 20814  
Fax: (301) 654-2801

Notices to Donee shall be sent to:

City of Salisbury  
Attn: John Pick, City Administrator  
125 North Division St.  
Salisbury, MD 21801  
Fax: (410) 548-3102

With a copy to:

Paul Wilber, Esq.  
Webb, Burnett, Cornbrooks, Wilber, Vorhis, Douse & Mason, LLP  
115 Broad Street  
PO Box 910  
Salisbury, Maryland 21803  
Fax: (410) 742-0438

The parties shall be responsible for notifying each other of any change of address.

7. MISCELLANEOUS

(a) Entire Agreement. This Agreement contains the entire agreement between the parties regarding the subject matter of this Agreement. There are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between them relating to this subject matter, other than as herein set forth. This Agreement is intended by the parties to be an integration of all prior or contemporaneous promises, agreements, conditions, negotiations and undertakings between them. This Agreement may not be modified orally or in any manner other than an agreement in writing signed by all the parties or their respective successors in interest. This Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

(b) Survival. The terms and provisions of this Agreement shall survive settlement and execution and delivery of the deed and shall not be merged therein.

(c) Partial Invalidity. If any term, covenant or condition of this Agreement or its application to any person or circumstances shall be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected.

(d) Governing Law. This Agreement and the rights and liabilities of the parties shall be interpreted in accordance with the laws of the State of Maryland, excluding choice of law principles.

(e) Interpretation. The paragraph headings used in this Agreement are for reference and convenience only and shall not enter into the interpretation of this Agreement. If any date upon which action is required under this Agreement shall be a Saturday, Sunday or legal holiday, the date for such action shall be extended to the first regular business day after such date which is not a Saturday, Sunday or legal holiday. This Agreement represents the results of bargaining and negotiations between the parties and of a combined draftsmanship effort. Consequently, Donor and Donee expressly waive and disclaim, in connection with the interpretation of this Agreement, any rule of law requiring that ambiguous or conflicting terms be construed against the party whose attorney prepared this Agreement or any earlier draft of this Agreement.

(f) Assignment. Donee shall not sell, transfer or assign this Agreement, or any interest in this Agreement, without the prior written consent of Donor, which Donor may grant or deny its consent in its sole and absolute discretion.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have signed, sealed, and delivered these presents as their own free act and deed as of the day and year first written above.

WITNESS:

Charlene Kay Coon

DONOR:

Charles R. Anderson Revocable Trust

By: Virginia L. Anderson

Name: Virginia L. Anderson

Title: Trustee

[SEAL]

DONEE:

City of Salisbury, a Maryland Municipal Corporation

Sherrill McBride

By: James Irton, Jr.

Name: James Irton, Jr.

Title: Mayor

[SEAL]

**Exhibit A**  
**Description of the Property**

<b>Address:</b>	<b>Property ID:</b>	<b>Property Information: Map; Block; Parcel*</b>
505 Anne Street Salisbury, MD 21803	05-011264	0104; 0023; 1294
503 Anne Street Salisbury, MD 21803	05-003679	0104; 0023; 1295
501 Anne Street Salisbury, MD 21803	05-009197	0104; 0023; 1296
621 Short Street Salisbury, MD 21803	05-021707	0104; 0023; 1297
407-411 Anne and Short Street Salisbury, MD 21803	05-021693	0104; 0022; 1300
412 Anne Street Salisbury, MD 21803	05-010934	0108; 0007; 1289

\* - Liber and Folio for all properties is 1508 and 526



WEBB, BURNETT, CORNBROOKS,  
WILBER, VORHIS, DOUSE & MASON, LLP

ATTORNEYS AT LAW  
115 BROAD STREET  
P. O. BOX 910

SALISBURY, MARYLAND 21803-0910

(410) 742-3176  
FAX (410) 742-0438

January 31, 2011

JOHN W. T. WEBB  
(1918-1990)

[pwilber@webbnetlaw.com](mailto:pwilber@webbnetlaw.com)

K. KING BURNETT  
ERNEST I. CORNBROOKS III  
PAUL D. WILBER  
DAVID A. VORHIS  
DAVID B. DOUSE  
CHRIS S. MASON

E. I. CORNBROOKS IV  
ROSCOE R. LESLIE

Mr. James Ireton, Jr.  
City of Salisbury  
125 Division Street  
Salisbury, Maryland 21801

Re: City of Salisbury/Anderson Trust Donation Agreement  
Our File No. 30303 - 1100

Dear Mayor:

Enclosed please find two (2) donation agreements for the Anderson Trust property, which need to be signed. The date on the first page should be changed to the date of signature. If you will return both donation agreements to my attention, I will forward one to Mr. Witkin, the attorney for the Anderson Trust. We will then complete the transaction by receiving and recording a deed for these properties.

Sincerely,



Paul D. Wilber

PDW/mam  
Enclosure  
cc: John R. Pick

RECEIVED  
FEB 01 2011

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INTER

OFFICE

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MEMO

## Office of the Mayor

**To:** City Council  
**From:** John R. Pick *JRP*  
**Subject:** Acceptance of Donation of Anderson Property  
**Date:** January 5, 2011

In accordance with discussion at the Council's December 20, 2010 work session, attached is a resolution accepting the donation of the Anderson property. Attached also is a donation agreement prepared by Jim Witkin, attorney for the Charles R. Anderson Revocable Trust. The Agreement, which was first forwarded to Council for consideration at the May 10, 2010 Council meeting, provides for transfer of the property in "AS IS" condition, and has the City indemnifying and holding harmless the current property owner relating to any alleged and/or actual environmental contamination of any kind which may exist in, on, under, or in the vicinity of the property, or which may affect any portion of the property. According to Mr. Witkin, the Anderson Trust would donate the property, but is requesting a release from the City of any liability for issues relating to valuation, zoning, environmental issues, wetlands, water and sewer or other utility issues, soil conditions, and property structure conditions. The release is contained in the agreement.

Attached is a map showing the properties owned by the Charles R. Anderson Revocable Trust.

When the Council discussed this matter at December 10, 2010 work session, the following options for possible future action were discussed:

- 1) the City move forward with acceptance of the donation of the property and work with EPA and MDE on the clean-up; or
- 2) ask Habitat for Humanity if they want to take ownership of the property directly from the owner; or
- 3) the owners take the various volunteer clean-up routes.

Option #1 has been discussed previously on several occasions. If we decide to exercise this option, it will be necessary for the City to work with the State to seek grant assistance, or use CDBG funds, for the demolition of the building and to work with MDE and the EPA on remediation of whatever environmental concerns would be raised. Based on the Phase II environmental assessment that was conducted on the main parcel (identified as lot A on the attached map) it appears that the environmental concerns would be limited to remediating any contaminated disturbed soil and installing vapor barriers under any structures

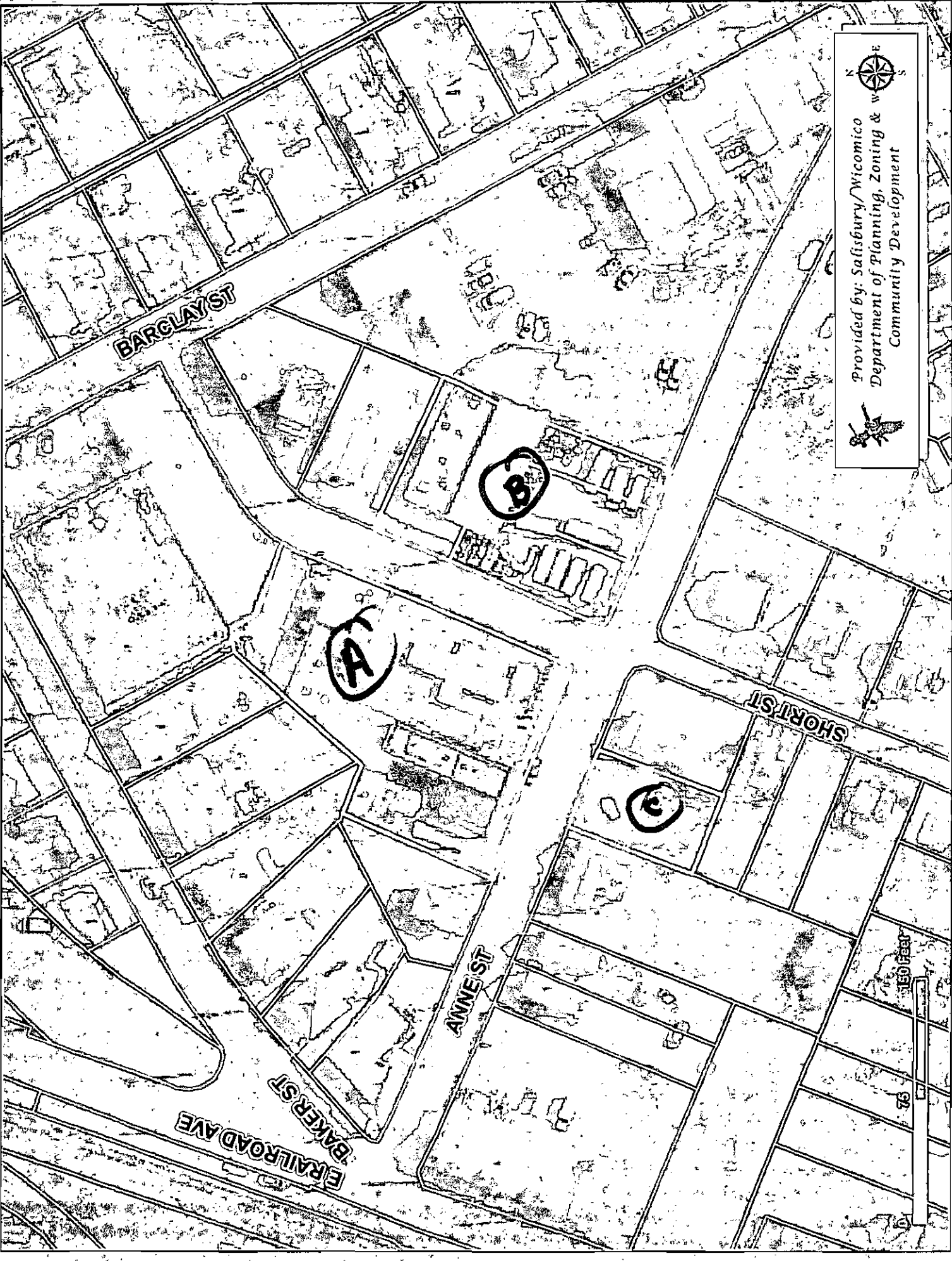
built on the property. Part of our expense would be to conduct Phase I environmental assessments of the parcels located across Anne St. and across Short St. from the main parcel (identified as lots B and C on the attached map). A local environmental firm has provided us with an estimate of \$2,100 to undertake this assessment. The owner of the property advised me that she is not willing to undertake this expense. We are eligible for a Subtitle A Brownfield Grant from EPA for site assessment and remediation.

Concerning Option #2, Habitat for Humanity has stated that they would be willing to consider accepting the donation of all three parcels (lots A, B and C on the attached map) provided that they are accepting "buildable lots". This means that the existing buildings would have to be demolished. The matter of how to handle the environmental remediation would have to be negotiated with Habitat in light of grant funds that may be available. If Habitat is not willing to accept the donation of parcel B, located across Short St. from the laundry, Grace United Methodist Church may be willing to accept the donation subject to conditions as set forth in the attached letter.



Concerning Option #3, Ms. Anderson has indicated that she is not willing to spend any more money on the property. This would include demolishing the building or undertaking any environmental remediation.

The Mayor has indicated that he supports the City accepting the donation of the property and applying for EPA assistance for environmental remediation. He has also indicated his support for including the Kapiloff property on Lake Street in the application for EPA Assistance. The Mayor also requests that the Council take definitive action on this long-standing matter.

cc: Mayor Ireton  
Lore' Chambers  
Pam Oland  
Tom Stevenson  
Paul Wilber  
Brenda Colegrove



Provided by: Salisbury/Wicomico  
Department of Planning, Zoning &  
Community Development



150 FEET

*Grace United Methodist Church*  
*635 East Church Street*  
*Salisbury, MD 21804*  
*410.742.4144*

December 1, 2010

John Pick  
 City of Salisbury  
 City Administrator

Dear John:

After the recent meeting at Grace Church concerning the "Linens of the Week" property, I shared with you that the Anderson family had earlier transferred some of their property to Grace Church. We used that property for the building that was originally Christian Shelter and is now Salisbury Urban Ministries. I would like to continue the conversation by requesting the City orchestrate a process that would result in Grace Church receiving the Linens of the Week properties East of Short Street.

To assist in this conversation I have created a Church task force of the following:

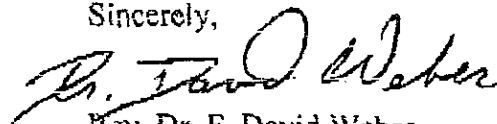
Council Chairperson  
 Finance Committee Chairperson  
 Treasurer  
 Trustee Chairperson  
 Representative to Annual Conference  
 and finally, the Conference Chancellor (Attorney)

This group would be the group that would be in conversation with the City regarding Linens of the Week. Obviously, there are many issues. To name a few:

- Zoning
- Satisfy all environmental concerns.
- Receiving the Land as a buildable lot similar to the transfer of property to Habitat for Humanity.
- Refining expectations (the Boys Club/Girls Club project will address some of our concerns) thus changing our vision.
- That the property will be transferred with no expectations, leaving the Church to decide what the property will be used for.
- No time-line requested of Grace Church since some of the funding possibility has been lost with the entrance of Boys Club/Girls Club into the area.

This task force, after arriving at an approved proposed process of transfer of property, will present this idea to the congregation for ratification.

Sincerely,



Rev. Dr. F. David Weber  
 Pastor