

AS AMENDED ON MARCH 28, 2016
RESOLUTION NO. 2615

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND, FOR THE PURPOSE OF ACCEPTING THE SUBMISSION OF RFP 04-15 RE-BID FROM GREEN STREET HOUSING, LLC FOR THE REDEVELOPMENT OF PARKING LOT 30.

WHEREAS, the Mayor and City Council have determined that there is surplus City-owned property that should be redeveloped, and that there is a strong public need for increased infill development in the City; and

WHEREAS, the City of Salisbury declared Parking Lot #30 surplus property on November 10, 2014; and

WHEREAS, the City of Salisbury, pursuant to SC 16-8 et seq. and Chapter 2.36 of the City Code, has the right to offer at public sale surplus property and make awards in the best interest of the City; and

WHEREAS, City-owned surplus or unused property should be developed, not only in consideration of the highest bid price but in consideration of the type of development proposed, and such development should require a commitment from the purchaser to develop such property in a manner which will raise the City's tax base and be in the best interest of the citizens of the City of Salisbury; and

WHEREAS, the City has determined that it is in the best interest of the citizens of the City to sell the City's surplus property known as Parking Lot #30; and

WHEREAS, the City of Salisbury advertised for proposals for the purchase of and redevelopment of Parking Lot #30 three times from March 14, 2016 to March 16, 2016 and responses were due by March 23, 2016; and

WHEREAS, no additional responses were received; and

WHEREAS, the City of Salisbury was permitted by Green Street Housing to accept their original proposal dated September 30, 2015 for the redevelopment purchase of Parking Lot #30 and is now selecting Green Street Housing, LLC's proposal as the winning proposal; and

WHEREAS, the City of Salisbury is in agreement to sell Parking Lot #30 for \$10,001 to Green Street Housing, LLC following the execution of a Disposition Contract with terms acceptable to the City on or before May 30, 2016, as finally approved by the City Solicitor.

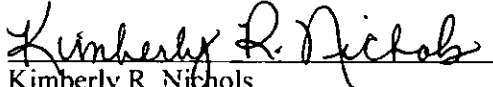
NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Salisbury, in regular session on the 28th day of March 2016, that the proposal submitted by Green Street Housing, LLC dated September 9, 2015, for RFP 04-15 Re-Bid Disposition and Development of Parking Lot #30 is selected as the winning proposal on the condition that the parties, on or before May 30, 2016, execute a Disposition Contract with such terms and conditions as may be approved by the City and the City Solicitor; the purchase price shall be \$10,001.

BE IT FURTHER ENACTED AND RESOLVED that this Resolution does not create a Disposition Contract, that the award shall be conditional upon the successful execution of a Disposition Contract, and that the Mayor is hereby authorized to execute the said Disposition Contract.

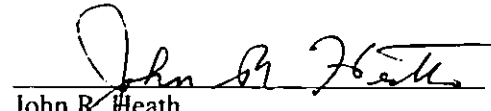
AND BE IT FURTHER ENACTED AND RESOLVED that this Resolution will take effect from and after its passage.

THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the Council of the City of Salisbury held on this 28th day of March 2016 and is to become effective immediately upon adoption.

ATTEST:

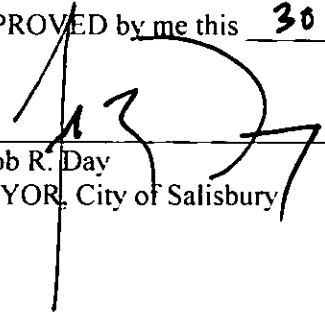


Kimberly R. Nichols
CITY CLERK



John R. Heath
PRESIDENT, City Council

APPROVED by me this 30 day of MARCH, 2016.



Jacob R. Day
MAYOR, City of Salisbury

City of Salisbury



JACOB R. DAY
MAYOR

M. THOMAS STEVENSON, JR.
CITY ADMINISTRATOR

JULIA GLANZ
ASSISTANT CITY ADMINISTRATOR

MARYLAND

125 NORTH DIVISION STREET
SALISBURY, MARYLAND 21801
Tel: 410-548-3190 Procurement
Fax: 410-548-3192 Procurement

KEITH A. CORDREY
DIRECTOR OF INTERNAL SERVICES

JENNIFER MILLER
ASST. DIRECTOR OF INTERNAL
SERVICES

TO: Tom Stevenson, City Administrator

FROM: Jennifer Miller, Asst. Director of Internal Svcs, Procurement & Parking *JLM*

DATE: March 24, 2016

RE: Lot 30 Land Disposition Contract and Resolution

Attached please find a resolution that will allow the Mayor to execute a Disposition Contract with Green Street Housing for the purchase and redevelopment of Parking Lot 30.

Unless you or the Mayor have additional questions, please advance this memorandum and resolution of support to the City Council for approval.

Attached: Resolution to accept the submission of RFP 04-15 Re-Bid proposal from Green Street Housing Land Disposition Contract for RFP 04-15 between the City of Salisbury and Green Street Housing

DISPOSITON CONTRACT

THIS DISPOSITION CONTRACT is made this 31 day of MARCH, 2016, between the City of Salisbury, Maryland, (hereinafter referred to as the "City or "Seller"), and GREEN STREET HOUSING, LLC, a Maryland Limited Liability Company located in Salisbury, Wicomico County, Maryland, (hereinafter referred to as "Buyer").

The Seller does hereby agree to bargain and sell unto Buyer, and Buyer does hereby agree to purchase from Seller the following described property, situated in Salisbury, Wicomico County, State of Maryland:

A. Parking Lot 30, Map 0106, Grid 0017, Parcels 1637, 1638, 1639, 1640, 1641, 1642, 1643, 1644, 1645, 1646, 1647 and 1648, as shown in Exhibit B and attached hereto, hereinafter collectively referred to as the "Property."

B. Buyer hereby agrees that Seller will reserve and retain all appropriate easements for sidewalks and for installation and maintenance of utilities and roadways, as approved by the City and City Planning Commission.

C. Seller shall permit non-exclusive use and improvements of Map 0106, Grid 0022, Parcel 1100 and Map 0106, Grid 0016, Parcel 1099, for parking and the installation and maintenance of a playground and open space features (the "Accessory Lots"), as further shown on Exhibit B, attached hereto.

1. PURCHASE PRICE AND METHOD OF PAYMENT:

The Purchase Price shall be TEN THOUSAND AND ONE DOLLARS (\$10,001.00), of which One Thousand Dollars (\$1,000) shall have been paid prior to the signing of this Contract. At the time of the Initial Settlement, hereinafter defined, the initial payment on the Purchase Price shall be ONE DOLLAR (\$1.00) (the "Initial Payment"). At the time of issuance of a Building Permit by the City of Salisbury Building, Permits & Inspections Department, that satisfies the requirements of Section 12.D. of this Disposition Contract, there shall be a Final Settlement. At the time of the Final Settlement, the balance of the Purchase Price, TEN THOUSAND DOLLARS (\$ 10,000.00), shall be paid to Seller (the "Final Payment"). The Seller agrees to acknowledge the difference, if any, between the Buyer's land appraisal and the Purchase Price as Seller's financing contribution to the development.

2. TO BE PAID IN THE FOLLOWING MANNER:

Buyer shall pay the Initial Payment to Seller in cash at the Initial Settlement. At the time of the Final Settlement the Final Payment shall be paid in cash to Seller. The City will apply the One Thousand Dollar (\$1,000) deposit Paid by Buyer to the purchase price at the Final Settlement. The Seller's lawyer will retain possession of the signed deed to the Property until the Final Settlement. The deed will not be recorded until the Final Settlement and the Final Payment is received, in full. This Disposition Contract may be recorded at any time by Buyer or Seller.

3. REPRESENTATIONS OF SELLER

The Seller makes the following representations and warranties to the Buyer:

A. The Seller is the fee simple owner of the Property and Accessory Lots described above, the outlines of which are to be formally established at the expense of Buyer who will prepare a survey, at its expense, to be used in the preparation of the deed from Seller to Buyer.

B. After the Initial Settlement and prior to recording of the Deed, Seller shall remain in possession of the property until Final Settlement and the Buyer has made the Final Payment. After payment and recording of the deed to Buyer, Seller shall remain a tenant with right to possession of the Property. Green Street Housing, LLC and the City shall execute a Lease Agreement prior to final settlement for the City to continue to operate Parking Lot #30. The Lease Agreement shall be a year-to-year lease renewable by the City or Green Street Housing, LLC annually, at the annual price of \$1.00. If no action is taken by either party, the lease shall automatically renew with the same terms as the prior year until construction commences. The lease shall commence at final settlement. City's rent shall be a total of \$1.00 per year. During the lease, the City shall be responsible for repair & maintenance of the existing lots and any portion of the Property which remains available to be leased by the City for parking each year. The City shall be responsible for all expenses, not caused by the intentional or negligent actions of Green Street Housing, LLC, its agents, employees or Contractors. The City's responsibility shall include but is not limited to paving and patching repairs, sidewalk repairs, storm water repairs, repair of all light poles and bulbs, city real estate taxes and the storm-water management utility fee, snow removal/salting and all utilities. Green Street Housing, LLC shall be responsible for all the county real estate taxes after the payment of \$10,001 and the recording of the deed to Buyer at final settlement.

C. At the Final Settlement, there will be no contracts affecting the Property or any part thereof, no contracts or agreements for the management of the Property, or any part thereof, other than as set forth in this contract, and there will be no commission due or owing in connection with any lease or on account of any tenancy or sale of the Property. It is understood the City may have from time to time contracts for repairs and maintenance of the Parking Lots.

D. The Seller has no knowledge of any actions, suits or proceedings which have been instituted or threatened against or affecting the Property, at law or in equity, before any federal, state or municipal governmental commission, board, bureau, agency or instrumentality which will materially adversely affect the value, occupancy, use or operation of the Property. The Seller will give the Buyer prompt written notice of any such action; suit or proceeding arising subsequent to the date hereof and prior to the Final Settlement Date to the extent Seller acquires knowledge thereof.

E. The Seller has duly and validly authorized, executed and delivered this Contract, and neither the execution and delivery of this Contract nor its performance are restricted by or violate any legal, contractual or other obligation of the Seller.

F. There are no assessments for public improvements against the Property which remain unpaid, including, without limitation, those for construction of sewer or water lines or mains, streets, sidewalks and/or curbs.

G. To the best of the Seller's knowledge, all improvements on the Property lie within the boundaries of the property, but notwithstanding this assertion, Buyer purchases this Property, as is, and, prior to settlement will, at its expense, satisfy itself of the legal boundaries of the Property and will provide a proposed plat and proposed legal description to the City Solicitor prior to settlement for his approval.

4. DELIVERY OF CERTAIN MATERIALS TO SELLER AND BUYER.

- A. Not later than Sixty (60) days following the Settlement Notice, hereinafter defined, Buyer shall deliver to the City Solicitor its proposed survey and legal description of the Property to be conveyed pursuant to this Contract.

5. ADDITIONAL UNDERTAKINGS.

A. Seller shall give to the Buyer and its agents, engineers, and other representatives full access to the Property during normal business hours, upon reasonable notice, during the period prior to the Final Settlement. During such period, the Seller shall furnish to Buyer all information concerning the Property which the Buyer may reasonably request. Buyer may, at its sole expense, make such engineering and other studies of the Property prior to the Final Settlement as it may deem necessary.

B. The Seller agrees that, from the date of this Contract to the Final Settlement, it will:

(i) Operate the Property only in the ordinary course and usual manner and that it will not enter into any new lease or enter into any agreement that will encumber the Property.

(ii) Not become a party to any service contract or similar agreement with respect to or affecting the Property without the prior written consent of the Buyer.

(iii) Maintain, at its expense, all existing insurance policies covering the Property. The herein described Property is to be held at the risk of Seller until legal title has passed. Buyer's remedy in the event of loss is limited to return of the deposit.

(iv) The Seller shall make good faith efforts to pursue and will consider alternative financing incentives, not limited to the following, but by way of example: Tax Incremental Financing, Rise Zone, Payment in lieu of Taxes, Enterprise Zone, EDU Incentive Zone, waiving of Building Permit Fees, waiving of Storm-Water Utility Fees, Public funding for improvement of public spaces such as Riverwalk improvements, Lake Street and Fitzwater Street for on-street parking, utility easements and realignment. The City makes no guarantee, however, with regard to its future efforts or approvals of any of these options.

C. All public or governmental charges or assessments against the premises which are or may be payable on an annual basis (including all assessments, liens or encumbrances for sewer, water, drainage or other public improvements completed or commenced on or prior to the date hereof, or subsequent thereto), shall be adjusted and apportioned as of the Final Settlement and shall be assumed and paid thereafter by the Buyer, whether assessments have been levied or not as of the Final Settlement Date.

D. The cost of all State and local recordation and transfer taxes shall be paid by the Buyer.

E. The Buyer shall have a 60 day Due Diligence period following the execution of this Contract to conduct feasibility and environmental studies for the proposal. If the study is not satisfactory to the Buyer, at the Buyer's full discretion, then and in such event, the Buyer shall have the right within the 60 day period to terminate this contract and forthwith receive a full refund of the Deposit paid hereunder.

F. At the Buyer's full discretion, the Buyer may extend the Due Diligence period upon written notice to seller for an additional 90 days to further Study the Property. The request, however, must be made within the original 60 day period. If the study is not satisfactory to the Buyer, at the Buyer's full discretion, then and in such event, the Buyer shall have the right within the additional 90 day period to terminate this contract and forthwith receive a full refund of the Deposit paid hereunder.

G. The results and findings of all studies and/or assessments performed as a result of this agreement during the Due Diligence period will be shared with Seller and Buyer and remain confidential between the parties.

6. BUYER PURCHASES THE PROPERTY "AS IS."

A. The obligation of the Buyer to purchase the Property pursuant to the provisions of this Contract is not contingent upon the condition of the Property or any inspection of the property which has or will be conducted by the Buyer after the Due Diligence period and prior to the Final Settlement. During the Due Diligence period, Buyer will conduct a thorough inspection of all aspects of the Property, and the potential hazards present on the Property and will accept the Property in its current condition or may terminate this agreement pursuant to Sections 5.E. and F. above. Seller has made no warranties or representations to Buyer regarding the condition of the said property and Buyer has not relied upon any statements regarding the condition of the Property made by Seller, its agents or contractors. Buyer agrees that the Seller shall not be obligated to perform any environmental assessment and Seller will not be held liable and assumes no responsibility for any remedies, costs or procedures. Buyer will be responsible for all costs associated with its investigation, and Buyer shall restore the Property to its condition prior to any damage caused by Buyer's tests.

B. Buyer may perform any reasonably required preconstruction engineering tests and environmental assessments. If these tests reveal any environmental or other defects, Buyer shall have no recourse against Seller and Buyer must proceed under the terms of this Disposition Contract.

C. Buyer shall indemnify, defend and save harmless Seller from and against any suits, actions, legal or administrative proceedings, demands, claims, liabilities, fines, penalties, losses, injuries, damages, expenses or costs, including interest and attorneys' fees, in any way connected with any injury to any person or damage to any property or any loss to Seller occasioned in any way by hazardous substances or dangerous conditions originating on the property by the negligent or intentional activities of Buyer before, during or after Buyer's acquisition of the property.

D. This indemnity specifically includes the obligation of Buyer to perform any remedial or other activities required or ordered by any properly empowered government official, or otherwise reasonably necessary to avoid injury or liability to any person or to prevent the spread of pollution, originating thereon (hereinafter described as "remedial work"). Buyer shall perform all such work in its own name in accordance with applicable law, as herein defined.

E. Whenever Seller has incurred costs described in this section, Buyer shall, within ten (10) days of receipt of notice thereof, reimburse Seller for all such expenses.

7. SETTLEMENT ATTORNEY/TITLE COMPANY:

Buyer shall have the option of selecting its own Title Insurance company or Title Attorney.

8. SETTLEMENT:

Initial Settlement shall be held in Salisbury, Wicomico County, Maryland, within 90 days of the earlier to occur of a) Buyer's receipt of a reservation of low-income housing tax credits ("LIHTC") from the 2016 or 2017 competitive round (the "LIHTC Reservation") or b) Buyer's receipt of a financing

commitment for an alternative financing method, (the "Alternative Financing"), provided that such notice is not provided to Seller later than December 31, 2017. Buyer shall provide notice to within 10 days of the receipt of a LIHTC Reservation or Alternative Financing, (the "Settlement Notice"). At Initial Settlement, the Seller shall sign:

A. A deed to the Property, containing a covenant of special warranty and further assurances, which shall convey to Buyer a good and merchantable fee simple title to the Property subject, however, to zoning and occupancy restrictions of public record which are generally applicable to properties in the immediate neighborhood or the subdivision in which the Property is located, and publically recorded easements and any other easements which may be observed by inspection of the Property. The deed shall be recorded at the expense of the Buyer after the issuance of a building permit and payment of the Final Payment, (the "Final Settlement"). In addition, the deed shall be subject to a right of reversion to be held by Seller, and enforceable by the Circuit Court for Wicomico County, Maryland, to return ownership of the entire Property to the City if the conditions required in Sections 12.C., D. and E. are not fulfilled in a timely manner. The deed will also be subject to the covenants described in Section 12.B.

B. Any other documentation reasonably required to consummate the Buyer's purchase of the Property, but possession shall be shared by City and Buyer pursuant to the terms of the deed to Buyer, as described herein.

9. POSSESSION: Ownership of the Property shall be given to Buyer at the time of the Final Settlement.

A. Seller makes no warranties with regard to the condition of the parcels, its utilities or infrastructure included in this Contract, as Buyer has agreed to accept the property as is. Seller will deliver the premises in substantially the same physical condition as of the date of ratification of this contract and Buyer, at its expense, has the privilege of inspection of all of the premises prior to the settlement or occupancy (whichever occurs first) to verify the same. Except as expressly contained herein no other warranties have been made by the Seller.

10. BUYER'S AND SELLER'S REMEDIES.

A. **BUYERS' REMEDIES.** In the event the Seller should be in default of any obligation on its part to be performed hereunder, or in the event any representation or warranty of Seller should be incorrect, or in the event any condition or obligation referred to in this Contract shall not be satisfied within the time period specified, then, as its sole remedy pursuant to this agreement the Buyer shall be entitled together: cancel this Contract and to receive a refund of the Deposit referred to in this Contract. and receive reimbursement from Seller for documented third party costs or expenses related to its due diligence, together with interest thereon, whereupon Seller and Purchaser shall be relieved of all further obligations under this Agreement; or (ii) elect to initiate an action against Seller for specific performance by Seller of this Agreement. Notice of such default shall be given, in writing, by the injured party within thirty (30) days after the default has occurred. If the party defaulting on this agreement fails or refuses to release monies, the holder of the deposit may deliver the deposit by way of interpleader to the appropriate Court to determine ownership thereof and have all costs and expenses in connection therewith deducted from said deposit.

B. **SELLER'S REMEDIES.** In the event the Buyer should be in default of any obligation to be performed hereunder prior to settlement, Seller shall be entitled to the deposit as liquidated damages. This limitation shall not, however, apply to the indemnity provision of the Contract or to any enforcement of the terms of this Contract, after settlement, in a claim for damages or injunctive relief or in a complaint

for reversion of the Property made by Seller.

11. MISCELLANEOUS:

A. The parties hereto agree that this entire agreement shall be binding upon their respective heirs, Personal Representatives, administrators, successors and assigns. **ALSO THE PARTIES RECOGNIZE THAT THIS CONTRACT IS LEGALLY ENFORCEABLE AND ARE HEREBY ADVISED TO SEEK LEGAL ADVICE IF NOT UNDERSTOOD.**

B. This contract contains the entire agreement between the parties hereto, and neither they nor their agents shall be bound by any terms, conditions or representations not herein written.

12. USE OF THE PROPERTY:

A. Buyer hereby covenants that it will complete the construction of improvements as set forth in the Scope of Development, attached hereto as Exhibit A. There shall, however, be no additional restrictions (not set forth herein) on the use of the Property other than those required by Federal, State or local law.

B. Deed Covenant. The deed from the Seller to Buyer for the Property described in this contract will contain a covenant that the Property will be developed on time and in the manner set forth in Exhibit A.

C. Site Plan Approval. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns shall deliver to the City a site plan approval within Twelve (12) months after initial settlement pursuant to the terms of Exhibit A. If the Buyer has not delivered a site plan approval within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with marketing the project for sale and lease to third party builders/developers and end users. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

D. Building Permit. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall secure a Building Permit for the construction of a mixed-use development pursuant to the terms of Exhibit A (as approved by the City of Salisbury Building, Permits & Inspections Department) within Twenty-Four (24) months after the Initial Settlement Date. If the Buyer has not secured a Building Permit within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with marketing the project for sale and lease to third party builders/developers and end users. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

E. Certificate of Occupancy Completion. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall secure a Certificate of Occupancy for the building referenced in Exhibit A (as approved by the City of Salisbury Building, Permits & Inspections Department) within Twenty-Four (24) months of issuance of the Building Permit. If the Buyer has not secured a Certificate of Occupancy from the City of Salisbury Building, Permits & Inspections Department within said Twenty-Four (24) months, the City

shall have the right to i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with marketing the project for sale and lease to third party builders/developers and end users. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

F. Covenants. The deed conveying the property shall expressly provide in an abbreviated format acceptable to the attorney for the City and the attorney for Buyer that the agreements and covenants provided for in the Development Proposal for the Property and this Disposition Contract shall be included therein as covenants running with the land and shall be binding upon the land for the benefit and in favor of the Seller.

G. Non-Merger. Buyer agrees that none of the provisions of this Disposition Contract shall be merged by reason of any deed transferring title to the property to Buyers or to any successor in interest.

H. Code Covenant. Buyer agrees that all final plans for structures, site improvements, landscaping, etc. shall be in accordance with the City Code and approved by all appropriate City and other government agencies.

I. Transfer and Assignment. Buyer shall retain the interest acquired in the Property until the construction requirements as defined in Sections 12.C., D. and E. are satisfactorily completed. Any subsequent assignment of the Buyer's interest is subject to approval by the City Council. Such approval may not, however, be unreasonably withheld. Buyer shall have the right to assign its rights, title and interest in this Agreement to any related entity or an unrelated entity that is formed exclusively for the development, as described in Exhibit A, provided that the unrelated entity has entered into a development services agreement with Green Street Housing, LLC.

J. Completion. The term "Certificate of Occupancy Completion" shall be defined for the purposes of this agreement to mean when the building is structurally complete to the point that the building inspector of the City would ordinarily issue an occupancy permit.

K. Default. Buyer agrees that if, subsequent to the conveyance of the property to Buyer, Buyer shall default in or violate the Disposition Contract, prior to Certificate of Occupancy Completion as certified by the City, including, but not limited to, failure to construct the improvements, abandonment or substantial suspension of construction work, failure to complete the project in the period specified in this Disposition Contract, failure to pay real estate taxes, if any, or suffer any levy or attachment, or any unauthorized change in ownership, and such violation is not cured within sixty (60) days after written demand by the Seller, then the Seller shall have the right, but not the obligation, to enforce the terms of this Disposition Contract by seeking damages, injunctive relief or reversion of the Property to Seller. Buyer shall not be in default for failure to complete the project if such failure is caused by delay due to unforeseen causes beyond its control and without its fault or negligence provided Buyer, within ten (10) days of the start of any such delay, has notified the Seller in writing and requested an extension for the period of the delay. Seller's rights under this Contract, including Seller's rights as a tenant and its right to reversion, shall be superior to any subsequent sale, lease, mortgage or lien against the Property as a result of any action by Buyer. Seller's rights shall only be subordinated by the written agreement of Seller. In the event of the bankruptcy or insolvency of Buyer, or its assignee, equitable title to of the Property shall immediately revert to the Seller.

13. **NOTICE**. Any notice to be given to a party under this Contract shall be deemed to be given on the date hand-delivered to the party, or on the second business day following the date when deposited in

the United States mail, postage prepaid, certified mail, return receipt requested, addressed as follows:

SELLER:

M. Thomas Stevenson
City Administrator
125 N. Division Street
Salisbury, MD 21801

BUYER:

Green Street Housing, LLC
1813 Sweetbay Drive, Ste 9
Salisbury, MD 21804
Attn: Thomas J. Ayd, Jr.

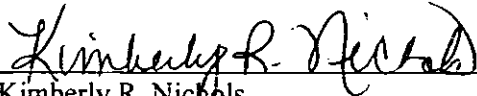
14. TIME OF THE ESSENCE. Time shall be of the essence in this Contract.

[Signature Page Follows]

AS WITNESS the hands and seals of the parties hereto, the day and year first above written.

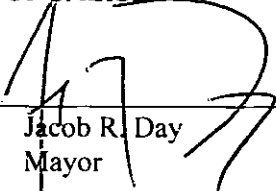
SELLER:

ATTEST:



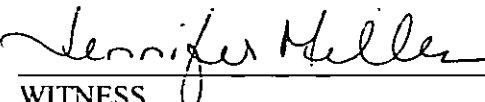
Kimberly R. Nichols
City Clerk

CITY OF SALISBURY



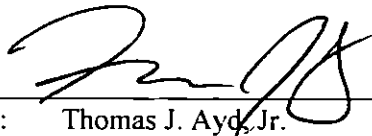
By: Jacob R. Day
Mayor

BUYER:



WITNESS

GREEN STREET HOUSING, LLC



By: Thomas J. Ayd, Jr.
Operating Manager

Exhibit A

SCOPE OF DEVELOPMENT

- A public market (Commercial Use only) consisting of local farmers and artisans on the 1st Floor, with three to six floors of mixed-income residential apartments above. A minimum of 30 residential units will be available for lease, no less than 10% of which shall be offered free of income restrictions. The residential apartments will consist of 1, 2 and/or 3 bedroom units. The initial “Project Approach and Development Proposal” follows as part of Exhibit A.
- Make improvements to Accessory Lots, as defined in this Disposition Contract, for which the Buyer shall be permitted to use and improve. Parking on the Accessory Lots shall be made available to the customers of the Commercial Use;
- The scope of improvements to the Accessory Lots shall include a fenced playground, benches and complementary landscaping and pathways.
- Buyer shall develop the Property in a manner which will best promote and support the City and which will promote development.
- Restore and maintain environmental quality – reduce the amount of runoff pollution, increase the amount of green space, plant trees, utilization of sustainable materials and incorporation of water and energy efficient site design/construction.
- The developed Property should be a mixed-use development that establishes a linkage between the Old Town and Marina districts.
- The site should include a small surface lot, or one deck of structured parking.
- Development must be iconic and function as a signature landmark for downtown Salisbury.
- The Riverwalk and Mill Street frontages should have retail entrances to the market hall and should have retail-oriented facades.
- Develop the property in accordance with all local zoning codes and ordinances consistent with uses permitted within the Central Business District of the City of Salisbury; and

The Property will model off of but not be constrained to the building styles that follow in this Exhibit A.

PROJECT APPROACH AND DEVELOPMENT PROPOSAL

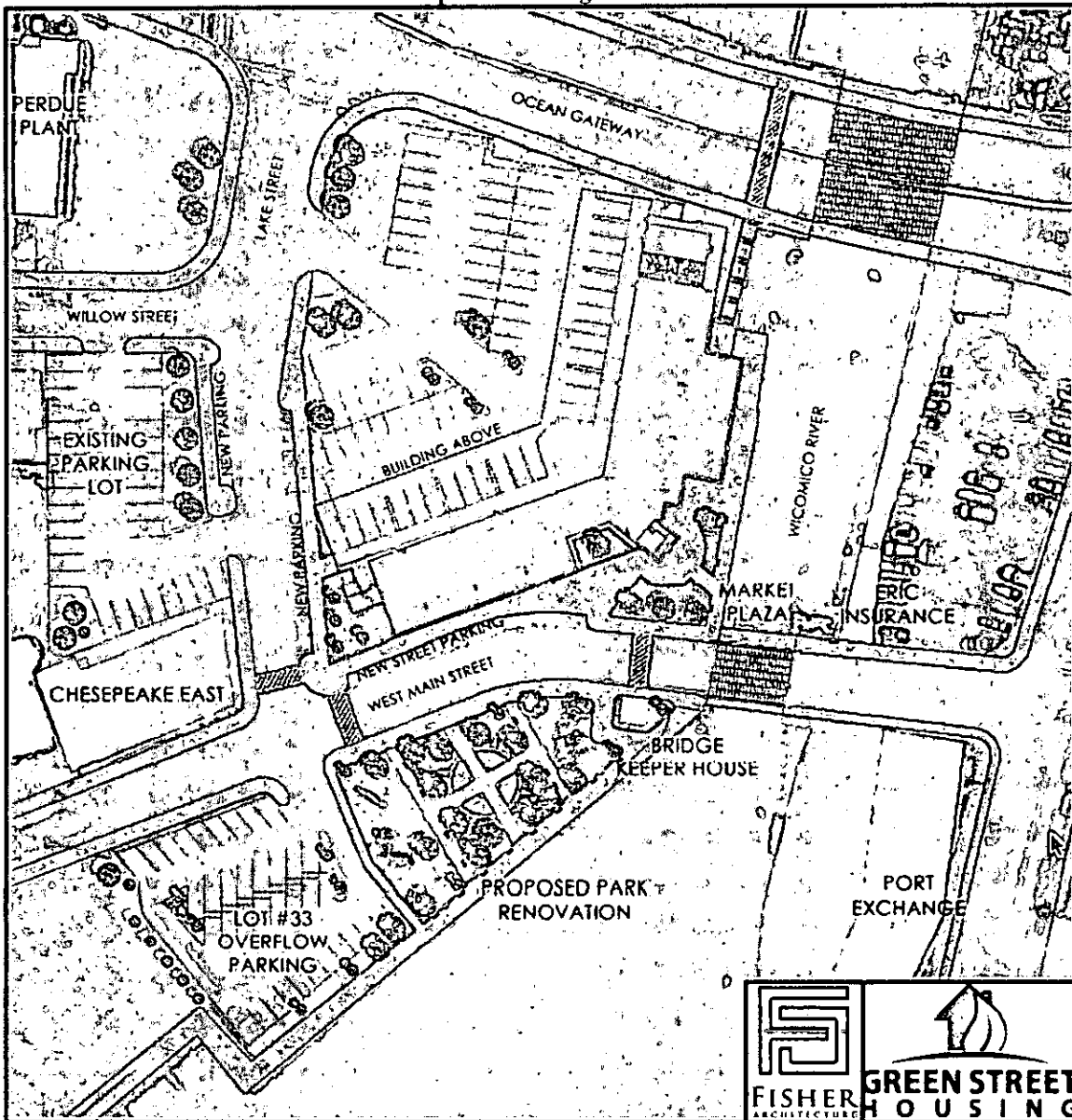
Building Architecture

We have explored several architectural options and believe the site can accommodate a market hall and restaurant on the first level of at least 14,000 square feet as well as up to 20 apartment units and associated common areas per level on four to six levels above the market hall.

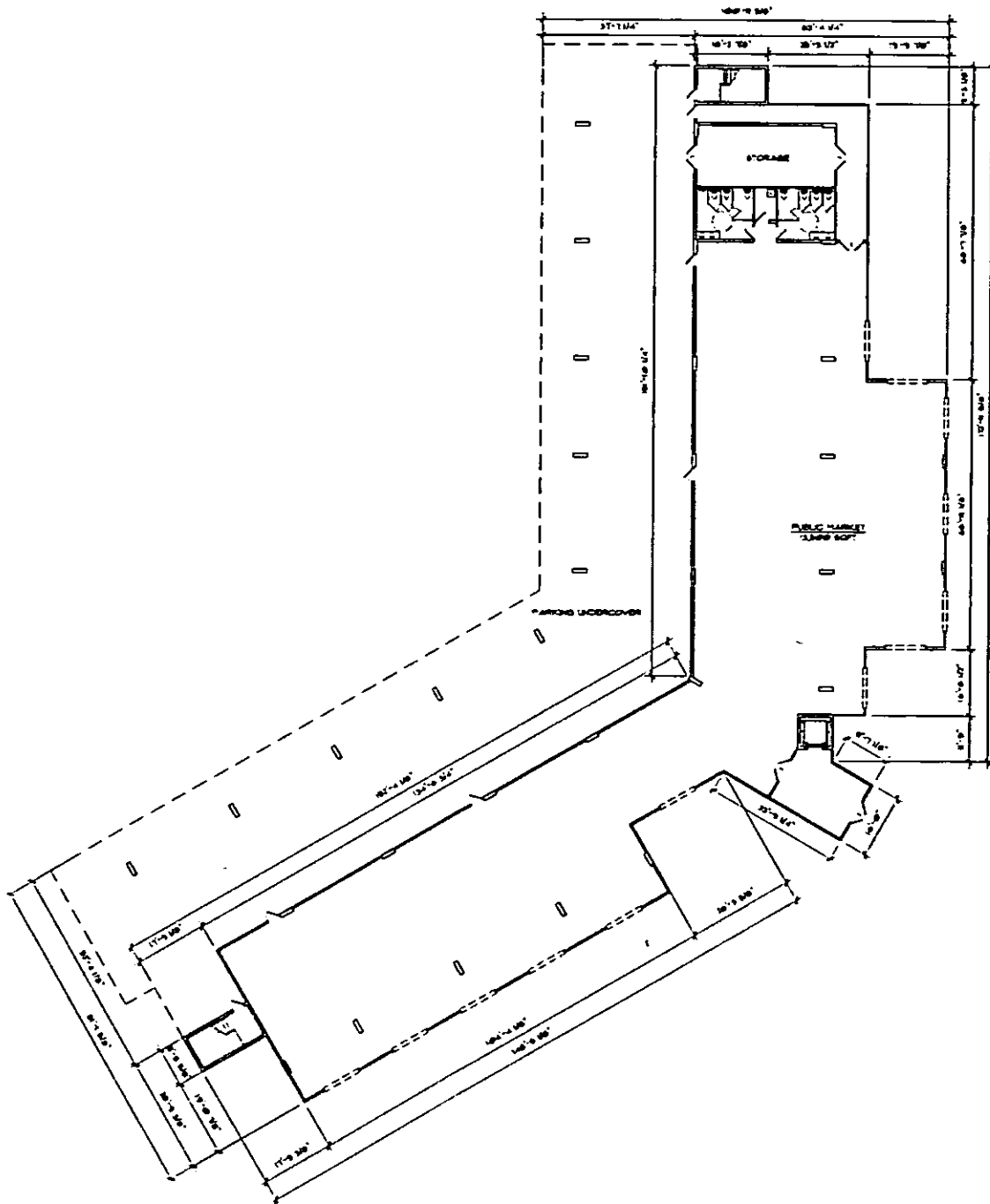
We are proposing a five story building that will take advantage of this unique location along the Wicomico River and its proximity to Salisbury's Downtown Plaza and urban core. However, we are not proposing a specific building design at this time. Instead, once under contract to purchase the property, we wish to engage the City and general public in a series of design charrettes where the vision for this project can be owned by everyone in the community. As developers, we have found a great deal of success (and deep gratification) by handing over big picture design conception to the local community. We end up with something the community feels vested in and thinks of as part of its fabric rather than some idea that a developer just forced on them.

With that in mind, we are providing some architectural style samples to get those creative design juices flowing. Remember these concepts are a conversation starter. Let's do the fun design work together following a deep conversation about what the City and community at large needs and wants.

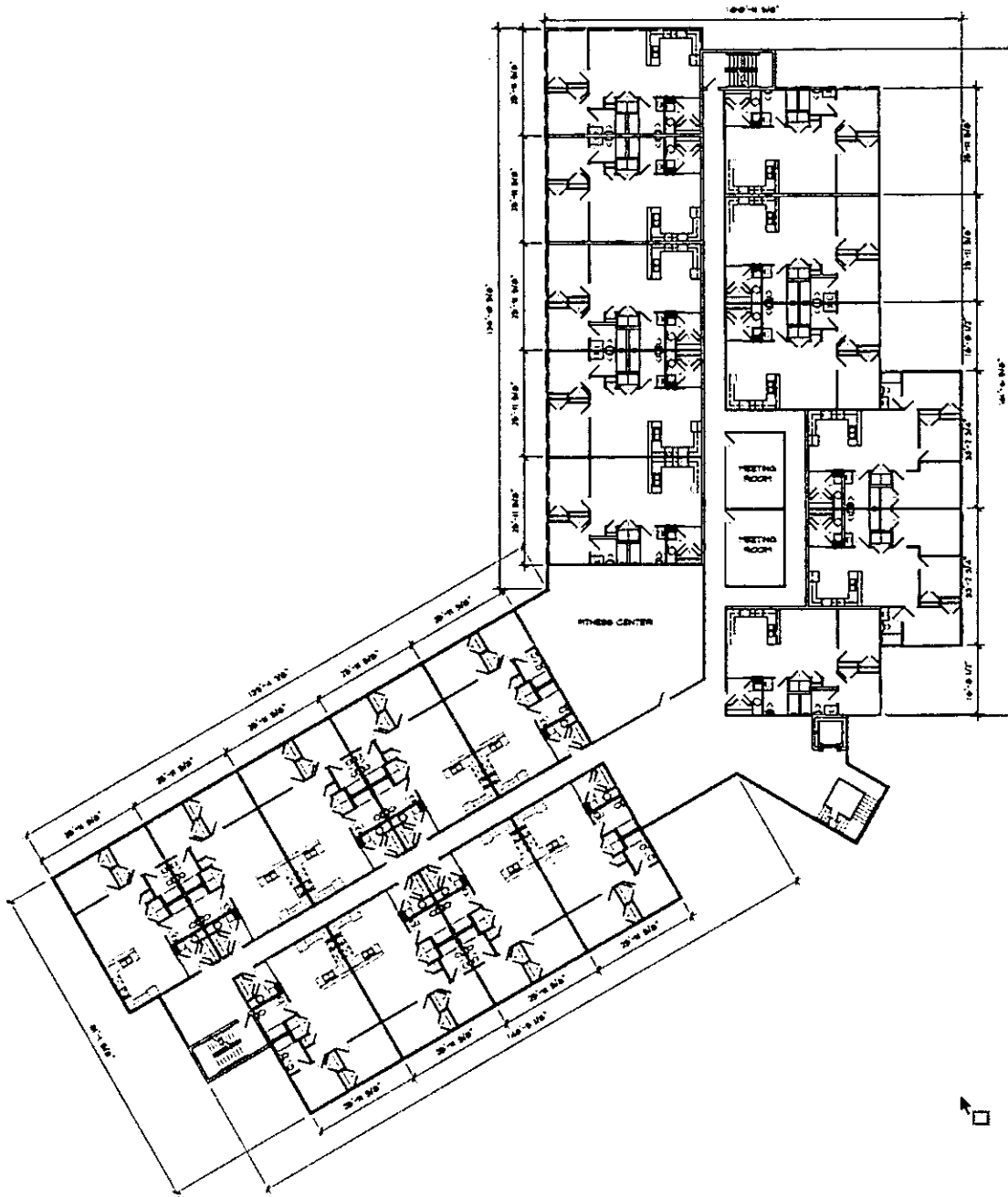
Conceptual Building Placement

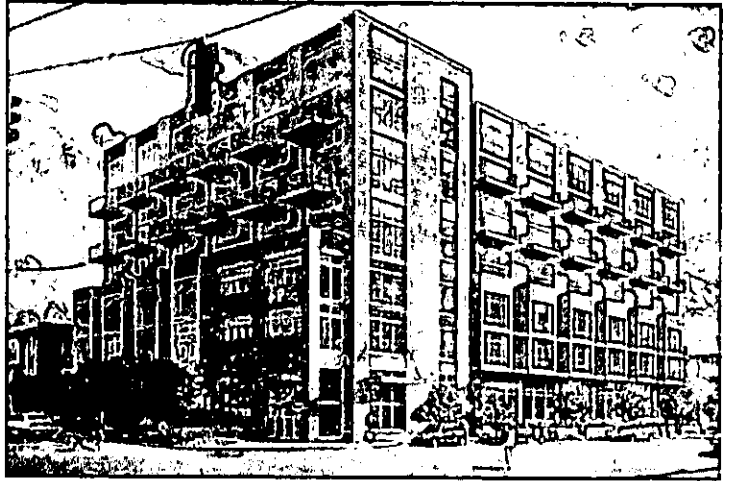
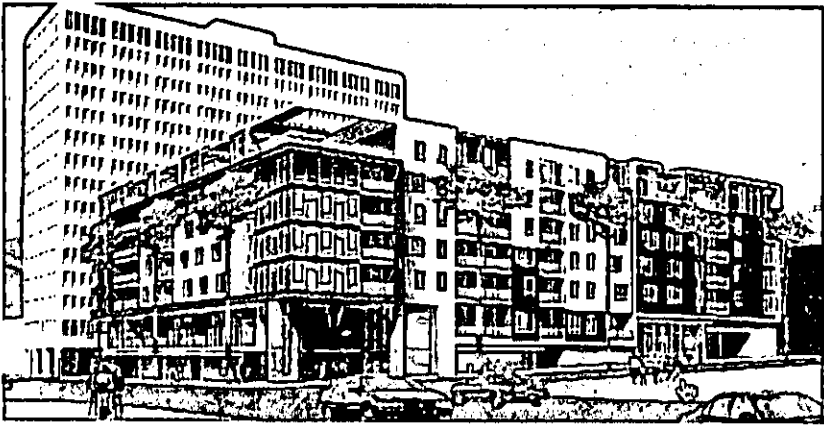


Conceptual Public Market Floor Plan:



Conceptual Residential Floor Plan:





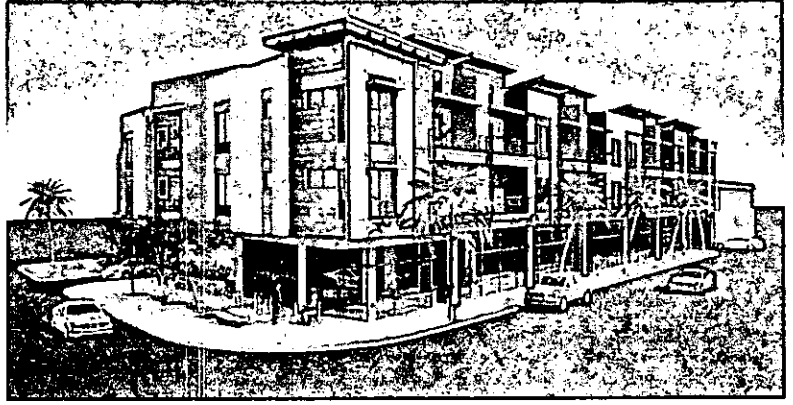


Exhibit B

Visual Description of Property and Accessory Lots:

