

RESOLUTION NO. 2639

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND, FOR THE PURPOSE OF ACCEPTING THE SUBMISSION OF RFP 09-16 RE-BID FROM SALISBURY DEVELOPMENT GROUP, LLC FOR THE REDEVELOPMENT OF THE PORT OF SALISBURY MARINA.

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 the Port of Salisbury Marina surplus property on January 14, 2016; 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 and lease the City's surplus property known as the Port of Salisbury Marina; and

WHEREAS, the City of Salisbury advertised for proposals for the purchase of and redevelopment of the Port of Salisbury Marina three times from June 14, 2016 to June 16, 2016 and responses were due by June 28, 2016; and

WHEREAS, no additional responses were received; and

WHEREAS, the City of Salisbury was permitted by Salisbury Development Group, LLC to accept their original proposal dated January 22, 2016 for the redevelopment purchase of the Port of Salisbury Marina and is now selecting Salisbury Development Group, LLC's proposal as the winning proposal; and

WHEREAS, the City of Salisbury is now selecting Salisbury Development Group, LLC's proposal as the winning proposal; and

WHEREAS, the City of Salisbury is in agreement to sell and lease the Port of Salisbury Marina for \$1 to Salisbury Development Group, LLC following the execution of a Disposition Agreement and Lease with terms acceptable to the City on or before August 30, 2016, as finally approved by the City Solicitor.

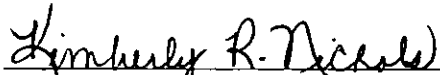
NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Salisbury, in regular session on the 5th day of July 2016, that the proposal submitted by Salisbury Development Group, LLC dated January 22, 2016, for RFP 09-16 Re-Bid Disposition and Development of the Port of Salisbury Marina is selected as the winning proposal on the condition that the parties, on or before August 30, 2016, execute a Disposition Agreement and Lease with such terms and conditions as may be approved by the City and the City Solicitor; the purchase price shall be \$1.

BE IT FURTHER ENACTED AND RESOLVED that this Resolution does not create a Disposition Agreement, that the award shall be conditional upon the successful execution of a Disposition Agreement, 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 5th day of July 2016 and is to become effective immediately upon adoption.

ATTEST:

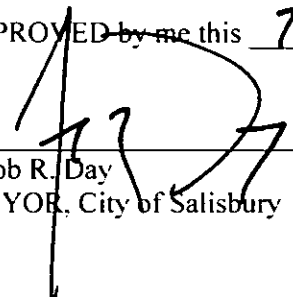


Kimberly R. Nichols
CITY CLERK



Laura Mitchell
VICE PRESIDENT, City Council

APPROVED by me this 7th day of July, 2016.



Jacob R. Day
MAYOR, City of Salisbury

LAND DISPOSITION AGREEMENT

THIS LAND DISPOSITION AGREEMENT (the "*Agreement*") is entered into this 7th day of July, 2016 (the "*Effective Date*") by and between the CITY OF SALISBURY, a Municipal Corporation of the State of Maryland (the "*City*" or "*City*") and SALISBURY DEVELOPMENT GROUP, LLC, a limited liability company organized and existing under the laws of the State of Delaware having its principal offices at 656 Quince Orchard Road, Suite 720, Gaithersburg, MD 20848 (the "*Developer*").

WITNESSETH:

WHEREAS, the City is the owner of that certain real property known as the Salisbury City Marina, and as more particular shown on Exhibit A attached hereto (the "*Property*"); and

WHEREAS, by unanimous approval at its regular meeting held on March 14, 2016, the City declared the Property to be surplus property; and

WHEREAS, the City desires to subdivide the Property as shown on Exhibit B attached hereto; and

WHEREAS, the City desires to sell to the Developer and the Developer desires to purchase from the City that certain parcel of real property to be established as shown on Exhibit B on which the mixed use residential/commercial building is to be constructed (the "*Development Parcel*") for the purpose of developing a mixed-use development consisting of commercial and residential components as more fully described in the Developer's submission to the City's Request for Proposal (RFP 09-16) dated January 22, 2016, a copy of which is attached hereto as Exhibit C (the "*Project*"); and

WHEREAS, the City desires to lease to the Developer and the Developer desires to lease from the City a portion (to be identified hereinafter) of that certain parcel of real property to be established as Proposed Lot 1 as shown on Exhibit B (the "*Leased Parcel*") for the purpose of constructing a boathouse to facilitate public use of the Wicomico River and for the purpose of operating a marina for transient boat dockage and public slip rental.

WHEREAS, the parties hereto desire to memorialize their agreement for the development of the Property as proposed between the Leased Parcel and the Development Parcel as more fully described herein.

NOW THEREFORE, and in consideration of the premises and mutual obligations of the parties hereto, the foregoing Recitals, which are deemed a substantive part of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer, for themselves, their successors and assigns, hereby represent, covenant, warrant and agree as follows:

ARTICLE I
GENERAL TERMS OF CONVEYANCE
OF DEVELOPMENT PARCEL

- 1.1 *Purchase Price.* For the Purchase Price and subject to all the terms and conditions hereinafter set forth, Developer agrees to purchase from the City, and the City agrees to sell and convey to the Developer the Development Parcel for the purchase price of One Dollar (\$1.00).
- 1.2 *Study Period.* Developer shall have sixty (60) days following the Effective Date to conduct whatever inspections, tests and studies are necessary for Developer to determine, in its sole discretion, whether the Property is suitable for Developer's intended purpose (the "**Study Period**"). If Developer determines that the Property is not suitable for its intended purpose for whatever reason or no reason at all, Developer may terminate this Agreement by providing written notice to the City of such termination prior to the end of the Study Period. During said Study Period, Developer shall have full access to the Property, both inside and outside any buildings, to conduct such inspections as may be necessary hereunder. During such period, the City shall furnish to Developer all information concerning the Property which the Developer may reasonably request. In Developer's sole and absolute discretion, Developer may extend the Study Period for an additional sixty (60) days by providing the City with written notice of such election prior to the end of the initial sixty (60) day period. Developer shall indemnify, defend and save harmless City 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 City occasioned in any way by hazardous substances or dangerous conditions originating on the Property by the negligent or intentional activities of Developer during the Study Period. This indemnity specifically includes the obligation of Developer 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. During the Study Period, Developers will conduct a thorough inspection of all aspects of the Property and the potential hazards present on the Property and will accept the Property (including the Development Parcel and the Leased Parcel) in its current condition or may terminate this agreement. After completion of the Study Period, the Developer accepts the Property in "as is" condition. The City makes no warranties, guarantees or other representations with respect to the condition of the property. Notwithstanding anything contained herein to the contrary, the City shall submit a copy of this fully executed Agreement to the Department of Natural Resources (DNR), the applicable review body for Critical Areas, Bond Counsel, and any other applicable body which has approval rights and/or an interest in this project for its approval of the form of the transaction contemplated herein. Should any such body fail to provide its final determination of the legality of this Agreement or any requested revisions to this Agreement, or should the City fail to identify land to be dedicated or purchased to mitigate any critical area impact as contemplated in Article VIII hereof, then the Due Diligence Period shall be extended for a period of time that ends one week from

the later of (i) the date of such final determination by the last applicable body described herein; or (ii) the date that the City either notifies Developer that it has obtained or cannot obtain such land for such critical area mitigation as contemplated in Article VIII herein. During such extended Due Diligence Period, Developer shall reserve its right to terminate this Agreement at any time.

- 1.3 *Building Permit.* City shall cooperate with Developer in obtaining any and all necessary approvals and building permits to construct the Project. Developer shall apply for such approvals and permits pursuant to the Schedule set forth herein, beginning after the Effective Date, notwithstanding the provisions of Section 1.2 herein. Should Developer submit such building permits during the Study Period, the Study Period shall continue pursuant to the time periods listed in Section 1.2 herein.
- 1.4 *Settlement Date.* Settlement of the Developer's purchase of the Development Parcel shall take place within thirty (30) days' after the issuance of the final Building Permit required to construct the Project.
- 1.5 *Condition of Property.* The obligation of the Developer to purchase the Development Parcel pursuant to the provisions of this Agreement 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 Study Period and prior to the settlement. The City has made no warranties or representations to Developer regarding the condition of the Property and Developer has not relied upon any statements regarding the condition of the Property made by City, its agents or contractors.

ARTICLE II REPRESENTATIONS AND WARRANTIES

- 2.1 *Developer's Representations.* The Developer represents and warrants to the City as follows as of the date of this Agreement through the Closing:
 - 2.1.1 The Developer (i) has not applied for, consented to, acquiesced to, nor is subject to the appointment of a receiver, trustee, custodian, liquidator or other similar official for itself or for all or a substantial part of his assets; (ii) is not subject to a bankruptcy, insolvency, reorganization, liquidation, dissolution or similar proceeding, or has admitted in writing its inability to pay its debts as they become due; (iii) has not made an assignment for the benefit of creditors; (iv) has not filed a petition or an answer seeking, consenting to, or acquiescing in a reorganization or an arrangement with creditors, or sought to take advantage of any bankruptcy law, insolvency law or other law for the benefit of debtors; and (v) has not filed an answer admitting the material obligations of a petition filed against it in any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar proceeding.
 - 2.1.2 The Developer and any designated subsidiary entity purchasing the Development Parcel (i) are duly organized (or formed), validly existing and in good standing under the laws of their respective state of organization, and (ii) have all necessary

power to execute and deliver this Agreement and all documents contemplated hereunder to be executed by it and to perform its obligations hereunder and thereunder. This Agreement and all documents contemplated hereunder to be executed by Developer (1) have been duly authorized by all requisite partnership, corporate or other action on the part of Developer, and (2) are the valid and legally binding obligation of City, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement or any document contemplated hereunder to be executed by Developer nor the performance of the obligations of Developer hereunder or thereunder will result in the violation of any Law or any provision of the partnership agreement, articles of incorporation, by-laws or other organizational or governing documents of Developer, nor will conflict with any order or decree of any court or governmental instrumentality by which Developer is bound.

2.1.3 Developer hereby covenants that it will complete the construction of improvements in a timely fashion and as set forth in the Development Proposal, attached hereto as Exhibit C (and as modified herein). Developer shall comply with all existing restrictions, easements and agreements affecting the Property. There shall, however, be no additional restrictions on the use of the Property other than those required by Federal, State or local law.

2.2 *City Representations* - The City represents to Developer as follows as of the date of this Agreement through the Closing:

2.2.1 The City believes that it is the fee simple owner of the Property described above, the boundaries of which are to be established by survey performed by and at the expense of the Developer; said survey, when acceptable to the City Solicitor, shall be used in the Deed for conveyance of the Development Parcel.

2.2.2 All bills and claims for labor performed and materials furnished to or for the benefit of the Property for all periods prior to the Settlement Date have been (or prior to the Settlement Date will be) paid in full, and on the Settlement Date there shall be no mechanics' liens or materialmen's liens (whether or not perfected) on or affecting the Property.

2.2.3 The City has no actual knowledge of any violations or potential violations of any zoning, building, health, environmental or other laws, codes, ordinances, regulations, orders or requirements of any city, county, state or other governmental authority having jurisdiction thereof, or any private restrictive covenants affecting the Property, but the City makes no representations or warranties regarding these issues beyond its ascertainment that it has no actual knowledge regarding these matters. While there were previous issues with petroleum on the Property, the City believes that those issues were resolved.

- 2.2.4** The City has no actual knowledge of any pending, threatened or contemplated condemnation actions or other litigation, investigations, proceedings or actions involving all or any portion of the Property; and, to the best of the City's knowledge and belief, there are no existing, proposed or contemplated plans to widen, modify or realign any public rights-of-way located adjacent to any portion of the Property.
- 2.2.5** There are no leases, management, maintenance, service or other contracts with respect to the Property except the City's agreement with Hanna, of which the Developer is aware. That agreement includes one shared pier as shown on Exhibit C. The City has no actual knowledge of any pending contracts of sale, options to purchase or rights of first refusal (or the like) with respect to the Property. Between the date hereof and the settlement date, the City shall not make or enter into any lease or other agreement for the use, occupancy or possession of all or any part of the Property or any contract that would be in effect at Settlement or bind Developer without the prior written approval of Developer. Notwithstanding anything contained herein to the contrary, the parties acknowledge that there are currently boat slips leased to third parties, and the rights and obligations of such boat slip rental agreements are intended to convey to Developer upon execution of the Lease as described herein, pending Developer's review of any and all slip rental agreements.
- 2.2.6** From and after the Effective Date, the City shall (i) refrain from performing any grading or excavation, construction or removal of any Improvement, or making any other change or improvement upon the Property, (ii) refrain from committing any waste or placing any refuse upon the Property, (iii) observe all laws, ordinances, regulations and restrictions affecting the Property and the use thereof, (iv) not take any action to rezone or re-subdivide the Property except as approved by Developer in its sole discretion, and (v) maintain such insurance as is currently in effect. From and after the Effective Date, the City shall not, without obtaining the prior written consent of Developer, which may be given or withheld in Developer's sole discretion, (i) lease, sell or transfer the Property or any portion thereof or any interest therein, (ii) encumber or pledge the Property or any portion thereof, (iii) grant a lien or security interest in the Property or any portion thereof, (iv) permit to exist any recorded mechanics', materialmen's, laborers' or other lien upon all or any portion of the Property unless such lien is the result of work performed by or on behalf of Developer, or (v) in any other way affect title to the Property. Notwithstanding anything contained herein to the contrary, the City shall be permitted to make any improvements to the Leased Parcel, such as pedestal improvements, during the Term hereof.
- 2.2.7** The City has duly and validly authorized, executed and delivered this Agreement, and the City has no actual knowledge that the execution and delivery of this

Agreement or its performance are restricted by or violate any legal, contractual or other obligation of the City.

- 2.2.8 At the settlement, there shall 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 Agreement, 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.
- 2.2.9 There are no prior 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.

ARTICLE III CLOSING

Developer and City hereby agree that the transaction contemplated herein shall be consummated as follows:

- 3.1 *Closing Date.* Consummation of the transaction contemplated herein (the “*Closing*”) shall take place within thirty (30) days’ of the issuance of the final Building Permit required to construct the Project (the “*Closing Date*”), subject to the parties’ right to extend the Closing by mutual agreement between the parties. The Closing shall take place at such time that the parties agree on the Closing Date in the offices of Developer’s choosing in Wicomico County, Maryland. Possession of the Development Parcel shall be given to Developer at Closing.
- 3.2 *City’s Closing Deliveries.* At Closing, City shall deliver or cause to be delivered to Developer the following:
- 3.2.1 A deed to the Development Parcel containing a covenant of special warranty and further assurances, which shall convey to Buyer a good and merchantable fee simple title to the Development Parcel, subject, however, to publically recorded easements for public utilities and any other recorded easements or easements which may be observed by inspection of the Property. The deed shall be recorded at the expense of the Buyer after payment of the full purchase price. In addition, the deed shall contain a provision that the Property is subject to a right of reversion to be held by City, and enforceable by the Circuit Court for Wicomico County, Maryland, to return ownership of the entire Development Parcel (including the leasehold interest acquired by Developer or its assigns pursuant to this agreement) to the City if the conditions required herein are not fulfilled in a timely manner. Notwithstanding anything herein to the contrary, Developer shall have the sole discretion to determine whether any covenants, easements or other

exceptions to title are acceptable. In the event there are title exceptions that are not acceptable to Developer and the City is unable or unwilling to cure same, then the Developer may terminate this Agreement upon written notice to the City and, in that event, this agreement will cease and neither party will have any further liability to the other.

3.2.2 Any other documentation reasonably required to consummate the Developer's purchase of the Development Parcel.

3.3 *Closing Agent.* Developer shall have the option of selecting its own Title Insurance company or Title Attorney.

3.4 *Pro-rations/Recordation Taxes.* 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 on or prior to the Closing shall be adjusted and apportioned as of the final settlement date and shall be assumed and paid thereafter by the Developer, whether assessments have been levied or not as of the Settlement Date. In addition, the cost of all state and local recordation and transfer taxes shall be paid by Developer.

3.5 *Subdivision.* The City shall promptly pursue a subdivision of the Property as shown on Exhibit B attached hereto, at the sole cost and expense of the Developer. Such subdivision shall be completed and recorded prior to or simultaneously with Closing as described herein.

3.6 *Site Plan Approval.* Developer hereby agrees, for itself, its successors and assigns and every successor in interest to the Development Parcel, or any part thereof, that Developer and its successors and assigns shall deliver to the City a site plan for approval within twelve (12) months of the Effective Date, such site plan shall be in substantial conformance with the Project as shown in Exhibit C. If the Developer has not delivered a site plan for approval within this time frame, the City shall have the right to: (i) seek reversion of the Development Parcel and take back fee simple ownership of such; or (ii) negotiate an extension for the requirement.

3.7 *Building Permit.* Developer hereby agrees, for itself, its successors and assigns and every successor in interest to the Development Parcel, or any part thereof, that Developer and its successors and assigns, shall secure a Building Permit for a minimum of a twenty thousand (20,000) square feet of commercial space and a maximum of forty (40) apartments (as approved by the City of Salisbury Building, Permits & Inspections Department) within twenty-four (24) months after the Effective Date. If the Developer has not obtained a building permit within this time frame, the City shall have the right to: (i) to terminate the contract immediately without recourse by Developer; (ii) if Closing has already occurred, to seek reversion of the Development Parcel and take back fee

simple ownership of such and to terminate the leasehold interest of Developer and/or its assigns with regard to the Marina Property; or (iii) negotiate an extension for the requirement. Notwithstanding anything contained herein the contrary, if there is a delay in the issuance of the Building Permit that is outside of the control of Developer and the deadline stated herein passes due to such delay, the deadline shall be extended one day for each day of such delay until the Building Permit is issued. Further, should Developer have submitted an application for a Building Permit and the Building Permit is not issued by the City due to causes outside the control of Developer within three (3) months after submission, Developer shall have the right to terminate this Agreement by providing the City with written notice of such termination.

- 3.8** *Certificate of Occupancy Completion.* Developer hereby agrees, for itself, its successors and assigns and every successor in interest to the Development Parcel, or any part thereof, that Developer and its successors and assigns, shall substantially complete the mixed use residential/commercial building, boathouse, and other improvements described in Developer's submission to RFP 09-16 and shall secure a Certificate of Occupancy for such improvements (as approved by the City of Salisbury Building, Permits & Inspections Department) within twenty-four (24) months after issuance of the Building Permit. If the Developer has not secured a Certificate of Occupancy from the City of Salisbury Building, Permits & Inspections within this time frame, the City shall have the right to: (i) seek reversion of the Development Parcel and take back fee simple ownership of such and terminate the leasehold interest of Developer and/or its assigns with regard to the Marina Property; or (ii) negotiate an extension for the requirement. "*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 for the City would ordinarily issue an occupancy permit for the referenced building and other improvements described herein.
- 3.9** *Performance Bond or Letter of Credit.* Developer shall guarantee completion of the required improvements by supplying the City with a performance bond or other commercially reasonable guarantee of completion.
- 3.10** *Merger.* Developer hereby agrees that none of the provisions of this Agreement shall be merged by reason of any deed transferring title to the property to the Developer or to any successor in interest.
- 3.11** *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.
- 3.12** *Assignment.* Developer may assign its right, title and interest in the Development Parcel to a related party (i.e. wholly owned subsidiary or entity owned by the same principals as Developer) of Developer and take title to the Development Parcel in the name of such

related party, provided that Developer and any related entity shall be obligated to all the terms and conditions as stated in this Agreement.

- 3.13 Cooperation.** The City shall make good faith efforts to pursue and will consider alternative financing incentives, not limited to the following, but by way of example: Payment in lieu of Taxes, Enterprise Zone, EDU Incentive Zone, Waiving of Building Permit Fees, and Public funding for public spaces. Further, the City acknowledges that Developer plans on leasing some of the commercial space in the Project to one or more restaurants. So long as the application is in compliance with all laws and regulations, to the extent possible, the City hereby agrees to support any application for an appropriate alcohol license for such restaurants. The City makes no guarantee, however, with regard to its future efforts or approvals of any of these options.

ARTICLE IV PUMP STATION

- 4.1 Relocation.** The parties hereto acknowledge that a pump station is currently located on the Property and that such pump station must be moved for Developer to proceed with development of the Project as described herein. As consideration for the cost to move and to reconstruct the pump station to permit such development, Developer hereby agrees (i) to purchase Parcel 1313 and Parcel 1314 as shown on Exhibit B (the "***Pump Station Parcels***"); and (ii) to donate such Pump Station Parcels to the City by Deed of Gift for the purpose of relocating the pump station.
- 4.2 Timing of Donation.** The Pump Station Parcels shall be purchased by Developer and donated to the City by Developer within thirty (30) days of the Closing of the Development Parcel.
- 4.3 Cost to Construct.** Developer shall contribute up to Twenty-Five Thousand and 00/00 Dollars (\$25,000.00) toward the reconstruction of the pump station. Such contribution shall be paid by Developer to the City simultaneously with the donation of the Pump Station Parcels as described herein.

ARTICLE V PROPOSED PARCEL #2

- 5.1** The City hereby agrees to record a perpetual easement in the land records for the Circuit Court of Wicomico County, Maryland, restricting any development of Proposed Lot #2 as shown on Exhibit B. Such Lot currently consists of approximately one hundred fourteen (114) public parking spaces. Such Lot shall be dedicated for public parking and for parking for the Project. Such easement shall be acceptable to Developer and the City, and shall reference that it is for the benefit of the owner of the Development Parcel, its successors and assigns. The parking in said lot shall, however, be metered parking for the public and Developer's assigns and invitees. Should the City ever wish to develop or to convey such Lot, the City shall be obligated to replace the same amount of parking spaces (114) with regional parking spaces in the same amount within three hundred (300)

feet of any boundary line of the Development Parcel for use by the Project and the public, and such replacement parking spaces shall be so dedicated for such use in the land records to ensure their use as public parking spaces in perpetuity.

ARTICLE VI LEASED PARCEL

- 6.1** *Lease.* As part of the Project and subject to the terms and conditions contained herein, Developer agrees to lease from the City, and the City agrees to lease to the Developer the Leased Parcel for a period of fifty (50) years (the “***Initial Term***”) for the annual rental amount of One Dollar (\$1.00), with three (3) automatically renewing terms, each additional term being for a period of fifty (50) years. The rental amount due the City during such additional renewal periods shall be the same rental amount as the Initial Term. The Lease as contemplated in this Article VI shall be in a form agreeable to both Developer and the City, and shall be executed upon the issuance of the Certificate of Occupancy as described in Paragraph 3.7 above. During the lease term, the Developer shall keep the Leased Parcel in good working order, fully operational, fully staffed, with fuel, water, internet service, electricity, and sanitary facilities, and shall operate the marina in accordance with the then existing industry standards and practices throughout the term of the lease. Should the Developer fail to keep the Leased Parcel in good repair and working order or otherwise fail to maintain the required facilities or standards set forth herein and as followed by the industry, the City shall have the option to terminate the Lease by providing written notice to Developer of such a termination, but only after Developer has had a right to cure any default. Such termination option shall not be available to the City until it has provided Developer with the opportunity to cure any default by delivering a written notice of default and the greater of (i) at least one hundred twenty (120) days to cure; or (ii) however many days are reasonably necessary to remedy such default so long as Developer is diligently pursuing a remedy for such default.
- 6.2** *Leased Area.* The Leased Parcel shall consist of the cross-hatched portion of Proposed Lot 1 as shown on Exhibit D attached hereto and incorporated herein.
- 6.3** *Lease Terms.* The lease to be executed between the parties shall contain the following rights and obligations of the parties, among all other standard lease provisions deemed acceptable to both the City and Developer:
- 6.3.1** *Possession; Operation.* Upon execution of the lease as contemplated herein, Developer shall take sole possession of the Leased Parcel for purposes of constructing the improvements described in Exhibit C attached hereto. The City shall still operate the City Marina until the time of issuance of the Certificate of Occupancy as stated above. At that time, Developer shall take over full operation of the Salisbury Marina and shall be responsible for the day-to-day cost to operate the Marina. During the term of the Lease, Developer shall have the right to sublease any portion of the Leased Parcel, and shall have the right to collect any and all docking fees and revenue generated on the Leased Parcel. Developer shall

remain responsible for all obligations of this agreement and its lease despite any sublease.

- 6.3.2 Developer Obligations.** So long as the term of the lease is in effect, Developer shall operate the Marina as a public marina for public slip rental and the dockage of transient boat traffic. Developer shall be responsible for the routine maintenance of the Marina, but not for the capital expenditures as described in Section 6.3.3 herein. Developer shall have the right, but not the obligation, to construct any additional improvements upon the Marina that it desires in addition to the required structures described in Exhibit C. Further, Developer shall provide, free of charge, one boat slip to the Salisbury Fire Department for the dockage of its fire boat and one slip for the Maryland Department of Natural Resources. All expenses of the Leased Parcel not specifically assumed herein by the City shall be the responsibility of the Developer. This shall include, but not be limited to taxes, repairs and maintenance, insurance costs, financing costs, and any legitimate demands for money or any assessments against the leased property or the City which arise from the existence of this lease to Developer or Developer's use and occupancy of the Leased Parcel.
- 6.3.3 City Obligations.** During the term of the lease, the City shall be responsible for all capital expenditures related to the Marina. A "*capital expenditure*" for purposes of the lease shall be defined as any necessary improvement (as opposed to a voluntary improvement of Developer) or repair to the Marina that is by nature not a repair or maintenance to the Leased Parcel (the Developer will be responsible for such repairs and maintenance). Such a capital expenditure would be one that rebuilds or replaces an improvement after the end of its economic useful life. Notwithstanding anything contained herein to the contrary, the City shall not be responsible for any capital expenditures to newly constructed improvements to the Leased Parcel for the first ten (10) years of the Lease (i.e. the boathouse or new parking lot). No Capital Improvements will be completed unless bonds are issued or grant money is obtained. No tax revenue shall be used to support such projects. The City will use good faith efforts to obtain bond monies and grant monies, but makes no promises with regard to whether such funds will be available for such capital expenditures. To the extent that no such money is available the City will have no liability for such capital expenditures. Should the State of Maryland demand the return of monies previously provided for the Marina, Developer will be responsible for repaying the State for any amounts due.
- 6.3.4 Riverwalk.** Developer shall be obligated to maintain the Riverwalk in good repair and to extend, at its sole cost and expense, and connect the Riverwalk from the Marina to the adjacent property known as River's Edge.
- 6.3.5 Boathouse and Improvements.** Developer shall construct a boathouse and other improvements as described in Exhibit C attached hereto. The purpose of the boathouse is to provide a public launch site and public access to the Wicomico

River. Ownership of the boathouse shall remain with the City, and the City shall contribute any and all appropriate grant monies available for the construction of such boathouse to Developer as assistance for the construction of such boathouse. Developer shall provide unobstructed views of the Development from Fitzwater Street and unobstructed views of the river and marina from the Riverwalk. Any fencing on the Development must be approved by the Mayor.

6.3.6 *Marina Fund and Marina Commission.* The City hereby agrees that the current Marina Fund and Marina Commission shall remain in existence. The Marina Fund shall be maintained by the City to fulfill its obligation under Paragraph 6.3.3 herein. The parties acknowledge that the current Marina Commission may expand scope to a broader Port of Salisbury Commission. During the term of the lease, Developer shall have representation on the Commission.

6.3.7 *Grant Funds.* The City shall pay to Developer any and all grant monies being held by the City for improvements to the marina and for construction of the boathouse, but only to the extent those funds are available and appropriate for the Project. Such funds shall be used for the intended purpose of such grants during construction of the Project.

6.3.8 *Cooperation.* In consideration for the City maintaining ownership of the Leased Parcel, the City agrees, and the lease shall contain language to such effect, to continue on not less than a semi-annual basis, to pursue any reasonable grants, opportunities, designations, preferred financing, or other options that may improve the Marina or other portions of the Leased Parcel. Such efforts shall be reported to Developer at least semi-annually, and Developer agrees to cooperate with the City to pursue such opportunities if such opportunities are acceptable to Developer, in its reasonable discretion.

6.3.9 *Assignment.* The lease of the Leased Parcel is, throughout the life of the lease, tied to the ownership of the Development Parcel. Any assignment of the Leased Parcel must follow the ownership of the Development Parcel and due to the expectation of the services to be provided at the Leased Parcel, the City must approve any assignment of the lease, but such approval may not be unreasonably withheld.

6.3.10 *Operation.* Developer may reserve no more than twenty (20) boat slips for the residents of the Development Parcel. All other slips are to be rented to the public-at-large on a "first come, first served" basis.

ARTICLE VII PARKING

7.1 *Residual of Proposed Parcel 1.* The remaining portion of Proposed Parcel 1 that is not part of the Leased Parcel shall be owned by the City and be dedicated by the City for parking as required by law at the City's then current parking rates for use by both the

Project and the users of the City Marina and boathouse. Such a restriction shall be memorialized by the recordation of a deed of easement in perpetuity for the benefit of the owner of the Development Parcel. Such easement shall be in a form acceptable to both the City and Developer.

- 7.2 *Parking Meters.* The City shall provide new parking meters the portion of Proposed Parcel 1 as described in Paragraph 7.1; provided, however, the City shall create a procedure where permits are provided to the residents and patrons of the Project so that parking is at the City's then current parking rates to such individuals.
- 7.3 *Maintenance.* Ownership of the parking lots shall be vested in the City, and as such, the City shall be solely responsible for the maintenance, repair and upkeep of the parking lots. The City shall maintain such parking lots in good repair and condition and shall repave such parking lots on the same schedule as other City lots.

ARTICLE VIII CRITICAL AREA

- 8.1 The parties acknowledge that the Project is located within the Chesapeake Bay Critical Area. Portions of the Project are located within the one-hundred (100') foot buffer, and may require off-site Critical Area mitigation. The City agrees to make a good faith effort to secure land areas required for such mitigation at no cost to the Developer, and the Developer agrees to contribute up to Four Thousand and 00/00 Dollars (\$4,000) toward the cost of securing said land areas, if necessary. The Developer further agrees to assume all costs associated with the acquisition of plant materials, and the City agrees to be responsible for their planting.

ARTICLE IX DEFAULT

- 9.1 *Default by Developer.* If the Closing fails to occur by reason of Developer's failure or refusal to perform its obligations under this Agreement in a prompt and timely manner or any misrepresentation of Developer existing on the Closing Date (any of which shall be considered a "***Developer's Closing Default***"), then the City may elect to pursue all remedies available at law and/or in equity as a result of any Developer's Closing Default, including, without limitation, the right to terminate this Agreement and the right to recover damages from Developer.
- 9.2 *Default by the City.* If the Closing fails to occur by reason of City's failure or refusal to perform its obligations hereunder in a prompt and timely manner on the Closing Date (any of which shall be considered a "***City's Closing Default***"), then Developer shall have the right, to elect to: (a) terminate this Agreement by delivering written notice to the City; (b) waive the condition and proceed to close the transactions contained herein; or (c) enforce specific performance of the City's obligation to execute the documents required to convey the Property to Developer. In the event Developer elects to terminate this Agreement in accordance with the foregoing, neither party shall have any further rights, obligations or liabilities under this Agreement.

ARTICLE X MISCELLANEOUS

- 10.1 *Risk of Loss.* All risk of loss or damage to the Property by fire, windstorm, casualty, or other cause is assumed by the City until Closing. In the event of substantial loss or damage to the Property before Closing, Developer shall have the option of either (i) terminating this Agreement, or (ii) affirming this Agreement, in which event City shall assign to Developer all of City's rights under any policy or policies of insurance applicable to the Property, to the extent permitted by the City's insurance carrier.
- 10.2 *Assignment.* Neither City nor Developer shall assign the applicable party's rights under this Agreement without the prior written consent of the other party. An attempt to assign the rights under this Agreement without the prior written consent of the other party shall be null and void. Notwithstanding anything contained herein, Developer is hereby permitted to take title to the Development Parcel and enter into a lease for the Leased Parcel in the names of related entities, including, but not limited to Marina Landing LLC and Salisbury Marina Associates LLC. Developer shall, however, remain responsible for all obligations set forth herein.
- 10.3 *Brokers.* City and Developer each represent to the other that it has had no dealings with any broker, finder or other party concerning Developer's acquisition or leasing of the Property. City and Developer each hereby agree to indemnify, protect, defend (with counsel satisfactory to the other) and hold harmless the other from and against any and all claims, liabilities, losses, damages, costs and expenses (including reasonable attorney's fees) suffered or incurred by the other in connection with any claim arising out of the acts of the indemnifying party (or others on its behalf) for a commission, finder's fee or similar compensation made by any broker, finder or any party who claims to have dealt with the indemnifying party or others on its behalf). The terms of this Section shall survive the termination of this Agreement and the Closing.
- 10.4 *Notice.* Any notice, request, demand, consent, approval and other communications ("*Notice*") under this Agreement shall be in writing, and shall be sent by personal delivery, reputable overnight courier service or certified mail, postage prepaid, return receipt requested. Each Notice shall be sent, addressed to the party for whom it is intended at its address set forth below or to such other address as it may designate for the delivery of Notices to it by giving at least five (5) days prior Notice to the other party in accordance with this Section:

If to Developer:

Salisbury Development Group, LLC.
Attn: Warren Diamond
P.O. BOX 61407
Potomac, MD 20859-1407

With a copy to:

John P. Custis, Esq.
Long, Badger & Sheller, LLP
124 East Main Street
Salisbury, MD 21801

If to City: Tom Stevenson, City Administrator
City of Salisbury
125 N Division Street
Salisbury, MD 21801

Any Notice sent by personal delivery in accordance with the foregoing shall be delivered during normal business hours and shall be deemed received when delivered or, if delivery is rejected, when delivery was attempted. Any Notice sent by overnight courier service in accordance with the foregoing shall be deemed received on the first business day following the date sent. Any Notice sent by certified mail in accordance with the foregoing shall be deemed received on the third (3rd) business day following the date mailed.

- 10.5** *Integration; Waiver.* This Agreement embodies and constitutes the entire understanding between the parties hereto with respect to the transactions described herein and all prior agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument signed by the party against whom the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument. No waiver by either party hereto of any failure or refusal by the other party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
- 10.6** *Governing Law.* This Agreement shall be governed by, and construed in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws principles.
- 10.7** *Waiver by Jury.* CITY AND DEVELOPER WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.
- 10.8** *Professional Fees.* In the event a party hereto brings any action or proceeding against another party hereunder by reason of any breach of any covenant, agreement or provision on the part of the other party arising out of this Agreement, then all parties shall be responsible only for their own actual costs and expenses of the action or proceeding, including reasonable attorneys', accounting, engineering and other professional fees.
- 10.9** *Construction.* The captions in this Agreement are inserted for reference only and in no way define, describe or limit the scope or intent of this Agreement or of any of the provisions hereof. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. All references in this Agreement to Articles, Sections and Exhibits are references to the Articles and the Sections of this Agreement and the Exhibits attached hereto, if any, as the case may be, unless expressly otherwise designated in the context. The Recitals at the beginning of this Agreement are incorporated herein by this reference. All Exhibits, if

any, attached hereto are incorporated herein by reference.

- 10.10 *Binding Effect.*** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors, assigns and heirs. If more than one person and/or entity shall execute this Agreement as Developer or subsequently becomes Developer hereunder, then the liability of each such person and entity hereunder, and under each document or other instrument required to be executed and delivered by Developer as contemplated by this Agreement at Closing or otherwise, shall be joint and several.
- 10.11 *Severability.*** If any term or provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
- 10.12 *No Third Party Beneficiary.*** The provisions of this Agreement and of the documents to be executed and delivered at the Closing are and will be for the benefit of City and Developer only and are not for the benefit of any third party. Accordingly, no third party shall have the right to enforce the provisions of this Agreement or any documents to be executed and delivered at the Closing.
- 10.13 *Recordation.*** Developer and City may record or otherwise place in any public record this Agreement or any memorandum or notice hereof.
- 10.14 *Further Assurances.*** Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to the Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement; provided, however, that the execution and delivery of such documents by such party shall not result in any additional liability or cost to such party. Without limiting the generality of the foregoing, Developer shall, if requested by City, execute acknowledgments of receipt with respect to any materials, deposits or other items delivered by City to Developer.
- 10.15 *Counterparts.*** This Agreement may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.
- 10.16 *Speculation Forbidden.*** Buyer hereby represents and agrees that its purchase of the property and other agreements pursuant to the Development Proposal for the Property and this Disposition Agreement are for the purpose of development of the property in accordance with the Development Proposal for the Property and not for speculation in landholding. Buyer covenants that the purpose of this purchase is not for speculation.
- 10.17 *Bankruptcy.*** Upon filing for any bankruptcy proceeding by or against the Developer, whether voluntary or involuntary, or upon the appointment of a receiver, trustee, or assignee for the benefit of creditors, the Developer must notify the City immediately.

Upon learning of the actions herein identified, the City reserves the right at its sole discretion either to cancel the Agreement and/or Lease or to affirm same and hold the Developer responsible for damages. The exercise of this right is in addition to any other rights the City may have as provided in this Agreement or by law.

10.18 *Termination of Multi-year Agreement.* If the City fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Agreement succeeding the first fiscal period, this Agreement shall be cancelled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the City's rights or the Developer's rights under any termination clause in this Agreement. The effect of termination of the Agreement hereunder will be to discharge both the Developer and the City from future performance of the Agreement, but not from their rights and obligations existing at the time of termination. The Developer shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the Agreement. The City shall notify the Developer as soon as it has knowledge that funds may not be available for the continuation of this Agreement for each succeeding fiscal period beyond the first.

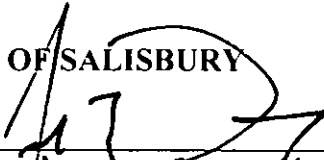
10.19 Time is of the Essence in this Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, each party hereto has executed and delivered this Agreement under seal as of the date first written above.

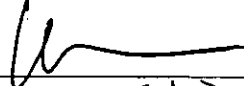
CITY

CITY OF SALISBURY

By: 
Name: JACOB R. DAY
Its: MAYOR

DEVELOPER

SALISBURY DEVELOPMENT GROUP, LLC

By: 
Name: WARREN DIAMOND
Its: MANAGER

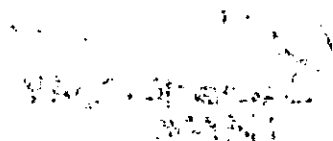


EXHIBIT A

Map of Property

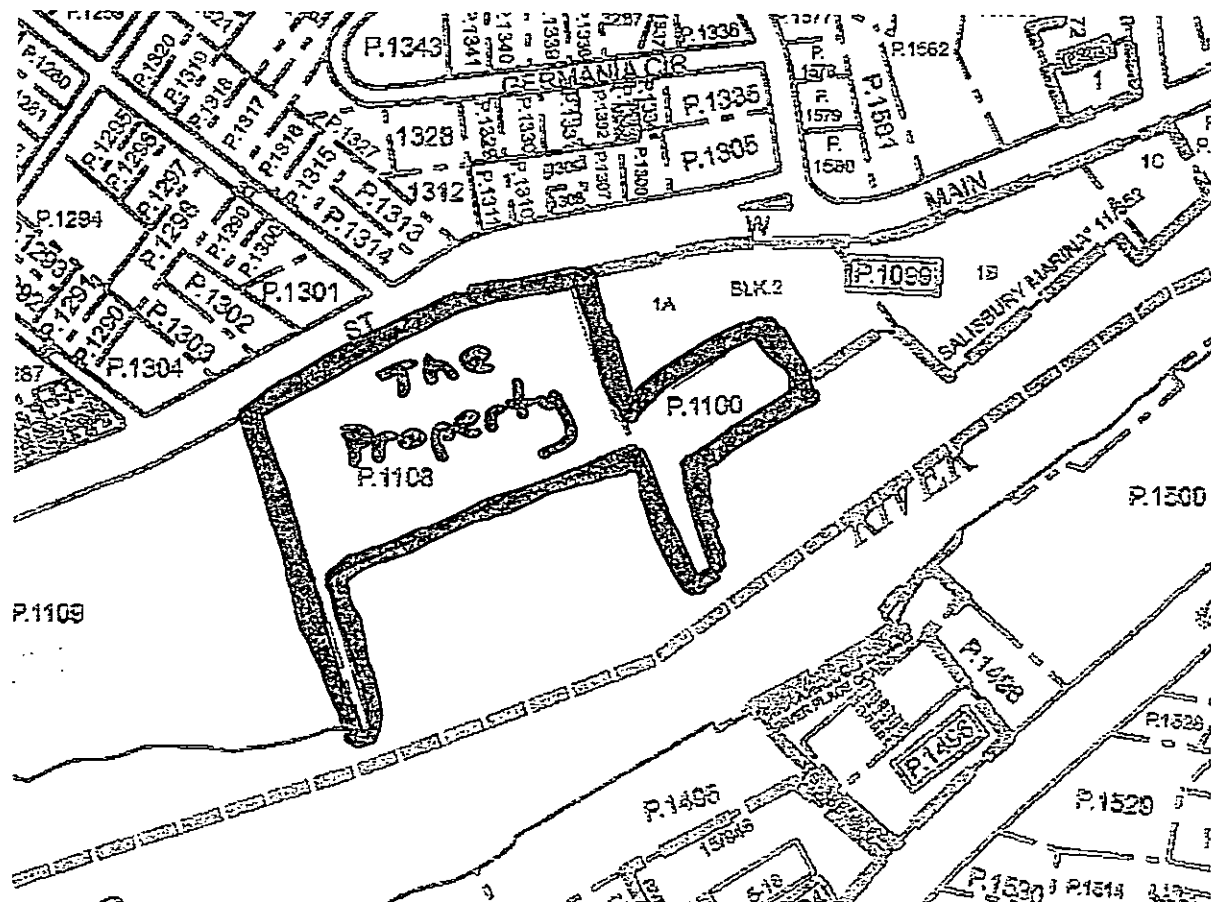


EXHIBIT B

Subdivision Plat

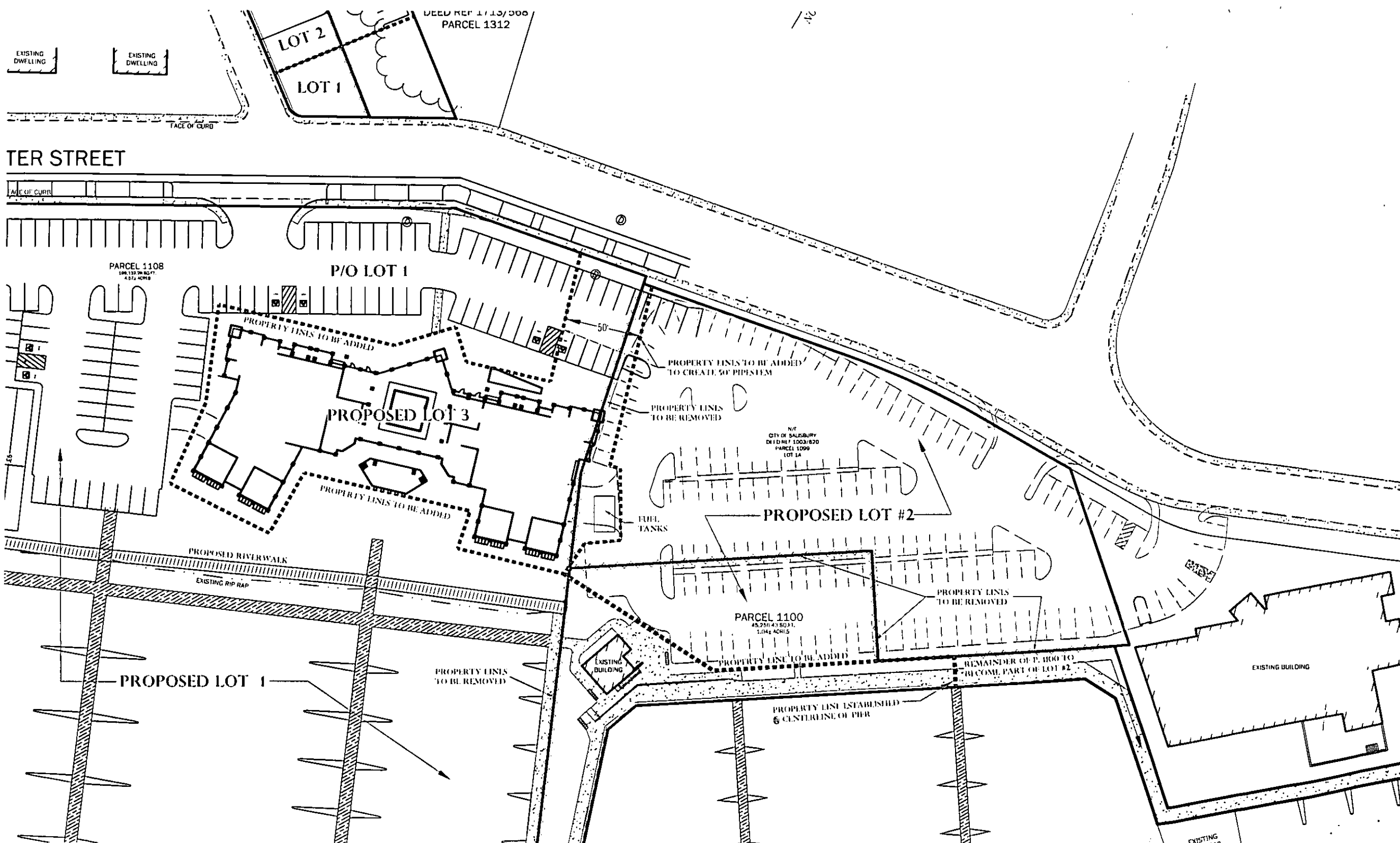


EXHIBIT C

Copy of RFP Proposal

City of Salisbury



MARYLAND

REQUEST FOR PROPOSAL – DISPOSITION & DEVELOPMENT OF THE PORT OF SALISBURY MARINA RFP 09-16

City of Salisbury – Procurement Department
Salisbury, MD

RFP Issued: Monday, December 21, 2015
Pre-Proposal Meeting: Wednesday, December 30, 2015, 11:00 a.m.
Salisbury GOB, Room 306
Questions Due: Wednesday, January 6, 2016, 12:00 p.m.
Proposal Opening Date: Friday, January 22, 2016, 2:30 p.m.

Proposal documents for RFP 09-16 are available on our website, www.ci.salisbury.md.us, Information Center/Proposals & RFPs. Questions are welcome but must be submitted in writing, and can be faxed, mailed, hand delivered or emailed to:

Jennifer L. Miller, Assistant Director of Internal Services-Procurement Department
125 N. Division Street, Room B10
Salisbury, MD 21801
Fax: (410) 548-3192
Email: jennifermiller@citylivingsalisbury.com

ADVERTISEMENT

CITY OF SALISBURY

Disposition and Development of the Port of Salisbury Marina

RFP 09-16

The City of Salisbury through this RFP is offering for sale or lease of the unsurplused Port of Salisbury Marina located within the City of Salisbury., Salisbury, Maryland. The Marina consists of two waterfront parcels, P1100 and P1108.

Proposal documents for RFP 09-16 may be obtained from the City of Salisbury - Procurement Department, Room B10, Government Office Building, 125 N. Division Street, Salisbury, Maryland 21801, by calling 410-548-3190, during normal business hours, or via our website, www.ci.salisbury.md.us, Information Center/Proposals& RFPs.

A Pre-Proposal Meeting will be held on Wednesday, December 30, 2015 at 11:00 a.m. in Room 306 of the Government Office Building, address listed above. A site visit is scheduled immediately after the pre-proposal meeting. Attendance is not mandatory but highly recommended.

Questions are due no later than Wednesday, January 6, 2016 at 12:00 p.m. No further questions will be accepted after that date. All questions must be written and can be faxed, mailed, hand delivered or emailed to Jennifer L. Miller, Assistant Director of Internal Services Procurement Department, 125 N. Division Street, Room B10, Salisbury, MD 21801, by fax at 410-548-3192, or via email at jennifermiller@citylivingsalisbury.com.

Proposal Documents are due in the Office of the Assistant Director of Internal Services – Procurement Division, address above, on Friday, January 22, 2016 at 2:30 p.m. at which time and place they will be publicly opened and only the names read aloud. No late proposals will be accepted, but will be returned unopened.

All minority business enterprise contractors are encouraged to compete for award of this sale.

Jennifer L. Miller, Assistant Director of Internal Services-Procurement Department

125 N. Division Street, Room B10

Salisbury, MD 21801

Phone: (410) 548-3190

Fax: (410) 548-3192

Email: jennifermiller@citylivingsalisbury.com

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ATTACHMENTS –

BREW RIVER AGREEMENT

SDAT

PICTURE

DRAWING

FY16 AUDITED P & L

SECTION 1: PROJECT OVERVIEW

1.1 General Intent

- a. The City of Salisbury (also referred to as “City” hereafter), through this RFP, seeks financially qualified firm(s) or individual(s) to purchase or lease the Port of Salisbury Marina and adjacent City owned property located within the City of Salisbury, Maryland.
- b. Entities that submit a proposal for award of this contract are referred to as “Proposers” or “Offerors” in this document. The firm(s) or individual(s) that is awarded the contract is herein referred to as the “Firm” or “Proposer”. The words Proposer, Offeror, Consultant, Proposer, Developer and Contractor may be used interchangeably.

1.2 Background Information– City of Salisbury

- a. The City of Salisbury, Maryland, founded in 1732 and incorporated in 1854, is the largest city on the Eastern Shore of Maryland (pop. 30,484, 2010 Census) and is the county seat of Wicomico County. Salisbury is located at the head of the Wicomico River, the navigable waterway that leads to the Chesapeake Bay. Salisbury is a central spot on the lower Eastern Shore just a half hour west of Ocean City and two hours east of Baltimore in the heart of the Delmarva Peninsula.
- b. Considered the “Crossroads of Delmarva”, the City of Salisbury is a growing city with an exhilarating quality of life. There are two institutions of higher learning, Salisbury University and Wor-Wic Community College, the Wicomico Regional Airport, the award-winning Peninsula Regional Medical Center and several cultural opportunities for residents and visitors including the Arthur W. Perdue Stadium, Chipman Cultural Center, Ward Museum of Wildfowl Art and the Salisbury Zoological Park.

1.3 Site Description and Zoning

- a. The Parcels consist of two parking lots, a riverfront sidewalk, four (4) T-piers with various sized boat slips, a Dock Master building with Dock Master Residence and a Marine Fuel Station.
 - i. The Dock Master building was built in 1988
- b. Parcel P1108 has an above ground fuel storage tank for Marine fuel on the Dock Master building side, and a Sewer Lift Pumping Station on the Fitzwater Street side.
 - 1. These parcels have not been appraised in the recent past. Last known appraisal is unknown. Tax records indicate a land value of \$882,000 for P1100 and \$914,000 for P1108 as of 1/01/2015.
 - 2. There is a requirement for stormwater easement on North and West sides of parcel P1108, easement of access to, and maintenance of, the pumping station, or subdivision of parcel to accommodate the pumping station access requirements.
 - 3. The Salisbury Fire Department requires one (1) boat slip for a 24' fire /rescue boat and six (6) reserved parking spaces for fire fighters in the event of an emergency.
- c. The City makes no representations, guarantee, or warranty concerning any site conditions. The subject property is being offered in an "AS IS, WHERE IS" condition.
- d. There is an existing agreement with the City and Brew River Restaurant regarding T-pier and boat slips for Parcel P1100 (see attachment).
- e. Some areas of Parcel P1100 include Project Open Space which carries certain restrictions and or responsibilities. (See drawing).
- f. There may be past & current Federal/State DNR Grants which carry certain restrictions and/or responsibilities.

1.4 Summary of Parcel Data

Name:	Parcel P1108. 650 Fitzwater Street.
Tax I.D.'s:	Map 106, Grid 0022, Parcel 1108
Ownership:	The City of Salisbury
Location:	Between the Wicomico River and Fitzwater Street.
Current Use:	Port of Salisbury Parking and Marina boat slips.
Zoning:	Exempt Commercial
Lot Size:	4.57 AC +/-

Name: Parcel P1100. 506 W. Main Street
Tax I.D.: Map 0106, Grid 0022, Parcel 1100
Ownership: The City of Salisbury
Location: Between the Wicomico River and W. Main Street
Current Use: Port of Salisbury Marina and Port of Salisbury Marina Parking
Zoning: Exempt Commercial
Lot size: 45,171 +/- S.F.

END OF SECTION

SECTION 2: PROPOSAL REQUIREMENTS

2.1 General Submittal Information

- a. Proposers, before submitting a proposal, will become fully informed as to the extent and character of the proposal document and are expected to completely familiarize themselves with the requirements of this solicitation and any and all specifications. Failure to do so will not relieve the Proposer of the responsibility to fully perform in accordance therewith. No consideration will be granted for alleged misunderstanding of the material to be furnished or the work to be performed, it being understood that the submission of a proposal is an agreement with all of the items and condition referred to herein.
- b. All offers and any other documents required as noted in this RFP and any addenda must be submitted to Jennifer L. Miller, Assistant Director of Internal Services-Procurement Department, 125 N. Division Street, Room B10, Salisbury, MD 21801, by Friday, January 22, 2016, 2:30 p.m. Under no circumstances will offers delivered after the date and time specified be considered. The City of Salisbury will not be responsible for any offer delayed in the postal or other delivery service nor any late offer, amendment, or request for withdrawal of offer, received after the RFP date. Offers received after the date and time for receipt will be returned unopened.
- c. All submitted documents should be prepared in a professional manner and must provide a clear and concise demonstration of the Proposer's capability to satisfy the requirements and objectives of this RFP.
- d. The City of Salisbury will not be limited solely to the information provided by the Proposer, but may utilize other sources of information useful in evaluating the capabilities of the Proposer. Special or unique capabilities or advantages of the Proposer should be clearly stated in the Developer's Development Proposal Document.
- e. All copies of the Proposal submittal and any other documents required to be submitted with the Proposal will be enclosed in a sealed envelope. The envelope

will be addressed to the Assistant Director of Internal Services-Procurement Department and will be identified with the project name, project number and the Proposer's name and address. If the proposal is sent by mail, the sealed envelope will be enclosed in a separate mailing envelope with the notation "**SEALED PROPOSAL ENCLOSED**" on the face thereof.

- f. Proposers or their authorized agents are expected to fully inform themselves as to the conditions, requirements, and specifications before submitting proposals; failure to do so will be at the Proposer's own risk.
- g. All MINORITY BUSINESS ENTERPRISE DEVELOPERS are encouraged to participate.
- h. Proposals will be valid for a minimum of 180 days from the date of proposal opening.

2.2 RFP-specific Submission Requirements

Each submission of proposal documents will be required to provide the following exhibits or materials as part of the proposal package. In order to issue a uniform review process and to obtain the maximum degree of comparability, it is required that the submittal be organized in the manner specified, tabbed, and with a table of contents.

- a. Title Page: Show the name of the development firm, address, telephone number, name of contact person, date, and the subject: "RFP 09-16".
- b. Table of Contents: Include a clear identification of the material by section and by page number.
- c. Comprehensive Plan for use of the Site: A narrative addressing these issues:
 - Proposer will include overview of proposed use/improvement of each parcel. Proposal should indicate items such as streetscaping improvements, riverwalk improvements and other public infrastructure improvements;
 - All proposals will include continued & permanent operations of the Marina, proposed boathouse, waterfront & floating boat launch for public use. Include specifics such as hours, access, services, etc.;
 - Also, address the future role of the Marina Committee;
 - Plans for subdivision or easement of pump station;
 - Potential for repayment of past and current grant funds.
 - Discuss how your proposed use is compatible with the surrounding neighborhood;
 - Anticipated date of Project / redevelopment completion.

d. Letter of Interest: Brief history of firm, a statement of the respondent's interest in the proposed property, and describes the firm's strengths that enhance their ability to purchase or lease the property and carry out any proposed improvements to the property.

e. Financial Capacity to Complete Proposed Improvements: In order for proposals to be considered, Proposers must submit with their proposal, a letter from a lending institution evidencing the Proposer possesses the ability to obtain the necessary funds to purchase this property. Evidence will include all information necessary to certify that the Proposer: maintains a permanent place of business; has available the organization and qualified manpower to do the proposed improvements; has adequate financial status to meet the financial obligations incidental to the proposed improvements; has not had just or proper claims pending against him or his company. **Failure to submit this letter with your proposal will result in rejection of your proposal.**

f. Additional Background: You are invited to include a maximum of five pages of information not included above which you feel may be useful and applicable to this project.

g. City Forms: Submit the following completed forms provided in the RFP (found in Sections 5, 6, 7 & 8):

- i. Section 5: Form of Proposal RFP 09-16
- ii. Section 6: Developer's Affidavit of Qualification to Proposal
- iii. Section 7: Ownership Disclosure Form
- iv. Section 8: Non-Collusive Affidavit

2.3 Completion of Proposal Documents

- a. Use only forms supplied by the City.

- b. Submit one (1) original and three (3) copies of completed Proposal Documents. Each copy of the proposal will be bound in a single volume. All documents submitted with the proposal will be bound in that single volume.
- c. All blanks on the form will be filled in by typewriter or manually in ink.
- d. Where so indicated by the make-up of the proposal form, sums will be expressed in both words and figures, and in the case of a discrepancy between the two, the amount written in words will govern. In event there is a discrepancy between the unit price and the extended totals, the unit prices will govern.
- e. Any interlineation, alteration, or erasure MUST be initialed by the signer of the Proposal.
- f. Each copy of the proposal will be signed by the person or persons legally authorized to bind the Proposer to a contract, using the legal name of the signer. A proposal submitted by an agent will have a current Power of Attorney attached certifying the agent's authority to bind the Proposer.
- g. Proposer will supply all information and submittals required by the documents to constitute a proper and responsible proposal.
- h. Any ambiguity in any proposal as a result of omission, error, lack of clarity or noncompliance by the Proposer with specifications, instructions, and/or all conditions of proposal will be construed in the light most favorable to the City of Salisbury.

2.4 Deposit

- a. If your proposal is accepted, the City will require an earnest money deposit in the amount of \$5,000 within 10 days of acceptance which will be held in escrow until closing.
- b. Return of Proposal Security
 - i. At award of a contract, all unsuccessful Proposers' proposal securities will be returned.
 - ii. The proposal security will be returned to the successful Proposer upon execution of the Land Disposition Contract.

This intentionally left blank

END OF SECTION

SECTION 3: EVALUATION AND SELECTION PROCESS

3.1 Opening of Proposals

- a. Proposals received on time will be opened publicly and only participant's name will be read aloud for the record.
- b. The contract will be awarded or all proposals will be rejected within 180 days from the date of proposal opening.

3.2 Acceptance or Rejection of Proposals

- a. Unless otherwise specified, the contract will be awarded to the most **RESPONSIBLE** and **RESPONSIVE** Proposer complying with the provisions of the proposal documents, provided the proposal price is reasonable and it is in the best interest of the City to accept it. The City reserves the right to reject the proposal of any Proposer who has previously failed to perform properly in any way or complete on time contracts of a similar nature; or a proposal from a Proposer who, investigation shows, is not in a position to perform the contract; or a proposal from any person, firm, or corporation which is in arrears or in default to the City of Salisbury for any debt or contract.
- b. In determining a Proposer's **RESPONSIBILITY**, the City may consider the following qualifications, in addition to price:
 - i. Ability, capacity, and skill to provide the commodities or services required within the specified time, including future maintenance and service, and including current financial statement or other evidence of pecuniary resources and necessary facilities;
 - ii. Character, integrity, reputation, experience and efficiency;
 - iii. Quality of past performance on previous or existing contracts, including a list of current and past contracts and other evidence of performance ability;
 - iv. Previous and existing compliance with laws and ordinances relating to contracts with the City and to the Proposer's employment practices;
 - v. Evidence of adequate insurance to comply with contract terms and conditions;

- vi. Statement of current work load and capacity;
 - vii. Explanation of methods to be used in fulfilling the contract.
- c. In determining a Proposer's **RESPONSIVENESS**, the City will consider whether the proposal conforms in all material respects to the proposal documents. The City reserves the right to waive any informalities or irregularities that may be in its best interest to do so. Additionally, failure to submit the proposal documents in the manners outlined above will result in the proposal document being rejected as unresponsive. The City may consider the following qualifications as well:
- i. Submittal of Proposal Documents that clearly meet or exceed the program objectives as defined in the City of Salisbury Comprehensive Plan and/or the Downtown Revitalization Plan.
- d. The City will have the right to reject any and all proposals, where applicable to accept in whole or in part, to add or delete quantities, to reject a proposal not accompanied by required proposal security or other data required by the proposal documents, and to accept or reject any proposal which deviates from specifications when in the best interest of the City. Irrespective of any of the foregoing, the City will have the right to award the Contract in its own best interests.

3.3 Award Procedures

- a. Prior to begin negotiations, City Code requires the Parcels to be declared surplus. Upon such declaration, the City will issue an Exclusive Negotiating Privilege (ENP) to the selected Proposer setting out specific requirements and deadlines for fulfilling the requirements of the project (including but not limited to the statements and ideas expressed herein). If negotiations have not been completed within 180 days after selection of a Developer, then the ENP will expire. The City may extend that time period if both parties find that negotiations are proceeding satisfactorily. Should the parties fail to agree upon a contract within a reasonable time, the City, at its sole discretion, may cancel negotiations with the first selected Developer and proceed with the next acceptable Development Proposal Document, re-solicit for new proposals, or abandon the Proposal Document.

- b. After successful completion of the ENP period, the City will then enter into a Land Disposition Contract (LDC) setting forth the terms and conditions of the lease or sale of the subject property. Approval of a LDC is by action of the City Council.

3.4 Land Disposition Contract

- a. In addition to the regulations set forth in the City building code, zoning code, and other applicable codes and ordinances, the following controls will be implemented by provisions in a LDC as are considered appropriate by the City Council:
 - i. The purchaser will agree, for itself and its successors and assigns and every successor in interest to the property or any part thereof, and the deed will contain covenants that the purchaser and any such successors and assigns will devote the property to and only to and in accordance with the uses specified in the development plan;
 - ii. The purchaser will agree, for itself, its successors and assigns and every successor in interest to the property or any part thereof, and the deed will contain covenants that the purchaser and any such successors and assigns will promptly begin and diligently move to completion the development of the property through the construction of the improvements thereon, and that such construction will in any event be begun and completed within the period specified in the LDC;
 - iii. The deed conveying the property will expressly provide that the agreements and covenants provided for in the development plan will be covenants running with the land and will be binding on the land for the benefit and in favor of the City;
 - iv. The purchaser will represent and agree that its purchase of the property and its other agreements pursuant to the development plan and LDC are and will be used for the purpose of development of the property and not for speculation in land holding;
 - v. None of the provisions of this chapter or the LDC are intended to or will be merged by reason of any deed transferring title to the property to the purchaser or to any successor in interest;

- vi. The purchaser will agree to retain the interest it acquires in such property until construction of the required development is completed and will agree not to sell, lease or otherwise transfer the interest acquired or any part thereof without the prior written consent of the City, until the City will have certified, in writing, that the purchaser has completed construction. In the absence of any such written agreement, no such transfer will be effective and will not relieve the purchaser of its obligations under the LDC;
- vii. The purchaser will agree that prior to completion of the development, it may not mortgage or encumber the property except for the purpose of obtaining funds to purchase the property and funds only to the extent necessary for making the improvements. The City will agree that no mortgagee will be required to construct or complete the improvements. The purchaser will agree that in the event of default in the purchaser's mortgage, the City will have the option of paying to the holder the amount of the mortgage debt and securing an assignment of the mortgage and the debt secured thereby;
- viii. The purchaser will agree that prior to conveyance of the property if the purchaser, in violation of the LDC, assigns or attempts to assign the LDC or does not submit a final development plan within the time as required by the LDC or does not pay the purchase price and take title to the property upon tender of conveyance by the City pursuant to the LDC, then, in such event, the LDC, at the option of the City, will be terminated, and the deposit will be retained by the City as liquidated damages;
- ix. The purchaser will agree that in the event that subsequent to the conveyance of the property to the purchaser, the purchaser will default in or violate the LDC, prior to the completion of the development as certified by the City, including but not limited to failing to construct the improvements, or will abandon or substantially suspend construction work or by failing to begin or complete the project in the period specified in the LDC or by failing to pay real estate taxes or suffer any levy or attachment or any unauthorized change in ownership and such violation is not cured after sixty (60) days' written demand by the City, then the City will have the right to reenter and take possession of the property and to terminate (and revert to the City) the estate conveyed by deed to the purchaser and declare a termination of the LDC and revert the property to the City, and the City will have, in such event, the power to execute and file for record in the land records a declaration of termination of all right, title and interest of the purchaser, provided that this provision will be limited by and will not defeat or limit the lien of any

mortgage authorized by the LDC and will not apply to any parts or parcels upon which the improvements have been completed in accordance with the LDC and for which a certificate of completion has been issued.

1. The purchaser will not be in default for failure to complete the project if such failure is caused by an enforced delay due to unforeseen causes beyond its control and without its fault or negligence, provided that the purchaser, within ten days of the start of any such enforced delay, has notified the City, in writing, and requested an extension for the period of the enforced delay.
2. Upon reverting of title in the City, the City will use its best efforts to resell the parcel or part thereof as soon as is feasible and consistent with the City's objectives to a qualified party (as determined by the City) who will assume the obligation of completing the improvements or such other improvements in their stead as will be satisfactory to the City.
3. Upon resale of the property, the proceeds thereof will be applied:
 - a. First, to reimburse the City for all costs and expenses incurred by the City, including employees' salaries in connection with the recapture, management and resale of the property or part thereof; all taxes, assessments and water and sewer charges with respect to the property or part thereof; any payments made to discharge any encumbrances or liens on the property or portion thereof; any expenditures or obligations incurred with respect to making or completing the improvements; any other amounts owed or due to the City by the purchaser and his successors or transferees, and;
 - b. Second, to reimburse the purchaser, its successor or transferee up to the amount equal to the sum of the purchase price paid by purchaser for the property (or allocable to the part thereof) and the cash actually invested by purchaser in the making of the improvements on the property or part thereof, less any gains or income withdrawn or made by purchaser from the development plan or from the property;

- c. Any balance remaining after such reimbursements will be retained by the City as its property.
 - xii. Easements for installation and maintenance of utilities will be reserved to the City as required.
 - xiii. Promptly after completion of the improvements in accordance with the provisions of the LDC relating to the obligation of the purchasers to construct the improvements, the City will furnish the purchaser with an appropriate instrument in recordable form so certifying. Such certification by the City will be (and it will be so provided in the deed and in the certification itself) a conclusive determination of satisfaction and termination of the development plan and covenants therein and in the deed with respect to the obligations of the purchaser and its successors and assigns to construct the improvements and the dates for the beginning and completion thereof. With respect to such individual parts or sections, the purchaser may convey such portions as the improvements constructed therein are completed, and the City will make such certification as it is related to the portion completed;
 - xiv. Any required control or covenant set forth herein may be modified or waived by the City Council.
- b. Amendments. The LDC for the sale of the subject property may be modified, including provisions pertaining to land use, building and site modification, before or after the transfer of property with written approval of the City Council by resolution. (Ord. 1963 (part), 2005).

END OF SECTION

SECTION 4: GENERAL INFORMATION

4.1 Economy of Proposal

- a. Proposals should be prepared simply and economically, providing straightforward and concise description of the Proposers' capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content. Elaborate brochures and other representations beyond that sufficient to present a complete and effective proposal are neither required nor desired.

4.2 Proprietary Information or Trade Secrets

- a. The Proposer may invoke proprietary information or trade secret protection for submission of any data/material by (1) identifying the data/material in a written description, (2) clearly marking the data/material as proprietary, and (3) providing a written statement detailing the reasons why protection is necessary. The City reserves the right to ask for additional clarification prior to establishing protection.

4.3 Ownership of Materials

- a. Ownership of all material and documentation originated and prepared pursuant to the RFP will belong exclusively to the City and is subject to public inspection in accordance with the Freedom of Information Act. Trade secrets or proprietary information submitted by a Firm in connection with a procurement transaction will not be subject to disclosure under the Freedom of Information Act. However, the Firm must invoke the protections of this section prior to or upon submission of the data or other materials.

4.4 Audit

- a. The Firm agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited. The City, its authorized agents, and/or State auditors will have full access to and the right to examine any of said materials during said period.

4.5 Contract Award

- a. A Land Disposition Contract will result from award of this RFP. If the accepted Proposer will fail or refuse to sign and deliver this contract and the required surety

bonds and insurance documentation, the City of Salisbury will retain, as partial damages for such failure or refusal, the Proposal Security of such defaulting Proposer. If the accepted Proposer defaults in its performance under the agreement and does not cure the default within 30 days after written notice of default, the City of Salisbury may terminate the agreement, in whole or in part, upon written notice without penalty to the City of Salisbury. Contract will be executed by the successful Proposer within fifteen (15) days of receipt of Contract as time is of the essence.

- b. Proposals and contracts issued by the City of Salisbury will bind the Firm to applicable conditions and requirements herein set forth, unless otherwise specified in the proposal documents, and are subject to all federal, state, and municipal laws, rules, regulations, and limitations. This contract will be construed and interpreted in accordance with the laws of the State of Maryland and all questions of performance hereunder will be determined in accordance with such laws.
- c. City of Salisbury personal property taxes must be on a current basis; if any such taxes are delinquent, they must be paid before award of contract. Failure to pay will result in the award of proposal to another firm.
- d. The City of Salisbury reserves the right to engage in individual discussions and interviews with those Proposers deemed fully qualified, responsible, suitable and professionally competent to provide the required services should the project size warrant it. Proposers will be encouraged to elaborate on their qualifications, performance data, and staff expertise. Proprietary information from competing Proposers will not be disclosed to the public or to competitors.

4.6 Modification or Withdrawal of Proposal

- a. A proposal may not be modified, withdrawn or cancelled by the Proposer during the stipulated time period following the time and date designated for the receipt of proposals, and each Proposer so agrees in submitting a proposal.

4.7 Default

- a. The contract may be cancelled or annulled by the City in whole or in part by written notice of default to the Firm upon non-performance, violation of contract terms, delivery failure, bankruptcy or insolvency, any violation of state or local laws, or the making of an assignment for the benefit of creditors. An award may then be made to the next low Proposer, or when time is of the essence, similar commodities and/or service may be purchased on the open market. In either event, the defaulting Firm (or his surety) will be liable to the city for cost to the City in excess of the defaulted contract price.

4.8 Collusion/Financial Benefit

- a. The Proposer certifies that his/her proposal is made without any previous understanding, agreement, or connection with any person, firm, or corporation making a proposal for the same project; without prior knowledge of competitive prices; and is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action.
- b. Upon signing the proposal, Proposer certifies that no member of the governing body of the City of Salisbury, or members of his/her immediate family, including spouse, parents or children, or any other officer or employee of the City, or any member or employee of a Commission, Board, or Corporation controlled or appointed by the Executive Officer or Council has received or has been promised, directly or indirectly, any financial benefit, related to this contract.

4.9 Indemnity

- a. The successful Firm agrees to indemnify, defend, and hold harmless the City of Salisbury and its officers, employees, and agents from any and all liability, loss, cost, damage, and expense (including reasonable attorney's fees and court costs) resulting from, arising out of, or incurred by reason of any claims, actions, or suits based upon or alleging bodily injury, including death, or property damage rising out of or resulting from the Firm's operations under this Contract, whether such operations be by himself or by any Subcontractor or by anyone directly or indirectly employed by either of them.
- b. Firm further agrees to furnish adequate protection against damage to all work and to repair damages of any kind, to the building or equipment, due to Firm's own work or to the work of other contractors for which he or his workers are responsible.

4.10 Suspension or Termination for Convenience

- a. The City will have the right, at any time by written notice, for its convenience, to suspend the work for such time as may be determined by the City to be necessary or desirable up to ninety (90) days, unless a longer time is agreed upon in writing by both parties; and thereafter, to require resumption of the whole or any part of the work without invalidating the provisions of this contract.
- b. The City will have the right, at any time by written notice, for its convenience, to terminate the work in whole or in part.
- c. Any notice issued pursuant to Sections A and/or B above will state the extent and effective date of such notice, except as otherwise directed, the Firm will stop work on the date of receipt of the Notice of Termination or other date specified in the notice;

place no further orders or subcontracts for materials, services, or facilities, except as necessary for the completion of such portion of the work not terminated.

- d. In the event of a termination, pursuant to Section B above, the City will pay the Firm's expenses verified by final invoice as set forth in Section D for the following:
 - i. Completed and acceptable work executed in accordance with the Contract documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit for such work;
 - ii. Expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by Contract Documents in connection with uncompleted work, plus fair and reasonable sums for overhead and profit.
- e. The Firm will not be paid on account of loss of anticipated profits or revenues or for work not completed prior to the date of termination of the Contract.

4.11 Contract Changes

- a. **NO CLAIMS** may be made by anyone that the scope of the project or that the Firm's services have been changed **UNLESS** such changes or adjustments have been made by an approved **WRITTEN AMENDMENT (Change Order)** to the Contract signed by the Assistant Director of Internal Services-Procurement Division (and the City Council, if required), prior to extra work being initiated. Changes performed without prior, approved, written authority will be considered as unauthorized and at the expense of the Firm. Payment will not be made by the City of Salisbury (Owner) for said changes not approved as aforementioned.
- b. **NO ORAL** conversations, agreements, discussions, or suggestions, which involve changes to the scope of the Contract, made by anyone including any City of Salisbury employee, will be honored or valid. No written agreements or changes to the scope of the Contract made by anyone other than the Assistant Director of Internal Services-Procurement Division (with City Council approval, if required) will be honored or valid.
- c. If any change ordered in the work results in a reduction in the work, the Firm will neither have, nor assert any claim for, nor be entitled to any additional compensation for damages or for loss of anticipated profits on work that is eliminated.
- d. No inspection, or any failure to inspect, at any time or place, will relieve the Firm from his obligation to perform all the work strictly in accordance with the requirements of the specifications. The Firm's Project Representatives are NOT authorized to revoke, alter, enlarge, relax, or release any requirement of these

specifications, or to approve or accept any portion of the Contract, or to issue instruction contrary to the drawings and specifications of the Contract.

4.12 Addendum

- a. **No oral statements of any person will modify or otherwise affect or interpret** the meaning of the Contract specifications, or the terms, conditions, or other portions of the Contract. All modifications and every request for any interpretation must be addressed to the Assistant Director of Internal Services, Procurement Department, Government Office Building, 125 N. Division Street, Room B10, Salisbury, Maryland 21801, and to be given consideration, must be received at the above address at least ten (10) days prior to the date fixed for the opening of proposals.
- b. Any and all interpretations, corrections, revisions, and amendments will be issued by the Department of Internal Services-Procurement Division to all holders of proposal documents in the form of written addenda. Proposers are cautioned that any oral statements made by any Entity's employee that materially change any portion of the proposal documents will not be relied upon unless subsequently ratified by a formal written amendment to the proposal document. All addenda will be issued so as to be received at least five (5) days prior to the time set for receipt of proposals, and will become part of the Contract Documents and will be acknowledged in the proposal form. Failure of any Proposer to receive any such addenda will not relieve said Proposer from any obligation under his Proposal as submitted.
- c. Proposers are cautioned to refrain from including in their proposal any substitutions which are not confirmed by written addenda. To find out whether the City of Salisbury intends to issue an amendment reflecting an oral statement made by any employee, contact Jennifer L. Miller, Assistant Director of Internal Services-Procurement Department, at 410-548-3190 during normal business hours.
- d. The Assistant Director of Internal Services-Procurement Department, reserves the right to postpone the proposal opening for any major changes occurring in the 5-day interim which would otherwise necessitate an Addendum.

4.13 Insurance Requirements

- a. **ON ALL LIABILITY INSURANCE POLICIES, CITY OF SALISBURY, ITS EMPLOYEES, AND OFFICERS MUST BE NAMED AS ADDITIONAL INSURED, AND INSURANCE CERTIFICATES FURNISHED TO THE CITY WILL INDICATE SUCH COVERAGE.**
- b. Unless otherwise required by Special Conditions for this Invitation to Proposal, if a contract is awarded, the firm will be required to purchase and maintain during the life of the contract the following types and amounts of insurance (at minimum).

- c. Comprehensive General Commercial Liability: \$1,000,000 (One million dollars) combined single limit per occurrence for bodily injury, personal injury and property damage. The general aggregate limit will apply separately to the project/location or the general aggregate will be twice the required occurrence limit.
- d. Comprehensive Automobile Liability: \$1,000,000 (One million dollars) combined single limit per accident for bodily injury and property damage.
- e. Workers Compensation and Employer's Liability: Worker's Compensation as required by the Code of the State of Maryland and Employer's Liability with limits of \$1,000,000 (One million dollars) per accident.
- f. The Proposers will provide the City with certificates of insurance evidencing the coverage required above. Such certificates will provide that the City be given at least thirty (30) days prior written notice of cancellation of, intention to not renew, or material change in such coverage. Proposer must provide certificates of insurance before commencing work in conjunction with the contract.
- g. **THE PROVIDING OF ANY INSURANCE REQUIRED HEREIN DOES NOT RELIEVE THE FIRM OF ANY OF THE RESPONSIBILITIES OR OBLIGATIONS ASSUMED BY THE FIRM IN THE CONTRACT AWARDED, OR FOR WHICH THE FIRM MAY BE LIABLE BY LAW OR OTHERWISE.**
- h. Failure to provide and continue in force such insurance as required above, will be deemed a material breach of the Contract, will cause the Firm to be in DEFAULT, and will operate as an immediate termination thereof. The City reserves the right to require higher limits on any contract. A 30-day notice in writing of cancellation or non-renewal will be furnished by certified mail to the Assistant Director of Internal Services—Procurement Division at the address listed in solicitation. The Firm/Vendor agrees to be responsible for, indemnify, defend and hold harmless the City, its officers, agents and employees from the payment of all sums of money by reason of any claim against them arising out of any and all occurrences resulting in damage that may happen in connection with and during the performance of the contract including, but not limited to, claims under the Worker's Compensation Act.

4.14 Cancellation of the Proposal Document/Rejection of All Proposals

- a. The City may, at its sole discretion, cancel this Proposal Document, in whole or in part, or reject all Proposal Documents submitted when this action is determined to be in the best interest of the City.

4.15 Evaluation Criteria

a. The following table shows evaluation criteria:

Weighting factor	Criterion
50%	Use and redevelopment of parcel as defined by the proposer in the proposal documents.
20%	Balance sheet provides evidence the entity's liquidity is above industry standards and the Income Statement provides evidence of sustainable cash flows. Project Cash Flows = Cash Flow for the project provides evidence the project is fundable and sustainable.
25%	The monetary value offered for the property.
5%	Such other and further factors as the Advisory Committee may wish to consider.

Each Developer will be rated for each criterion on a scale of zero to four as described below.

Unacceptable 0

Poor 1

Fair 2

Good 3

Superior 4

A Developer's final grade will be the sum of each criterion's rating multiplied by the weighting factor listed above.

END OF SECTION

SECTION 5: REQUIRED FORMS—FORM OF PROPOSAL RFP 09-16

To Whom It May Concern:

We hereby submit our proposal for City owned property, described as Parcel one or Parcel two and as indicated in the Contract Documents.

Having carefully examined the Proposal Document and having received clarification on all items of conflict or upon which any doubt arose, the undersigned hereby requests consideration of our firm for award of the referenced contract.

Proposal Purchase Amount for **property as described herein.** (expressed in USD currency format)

\$ _____

Proposal Purchase Amount (expressed in written words)

Proposal Lease Amount property as described herein. (expressed in USD currency format)

\$ _____

Proposal Lease Amount (expressed in written words)

Firm Name

Firm Address

City/State/Zip

_____ Telephone

_____ Fax

_____ Email

Signature

Printed Name

**SECTION 6: REQUIRED FORMS—DEVELOPER’S AFFIDAVIT OF
QUALIFICATION TO PROPOSE (pg. 1 of 2)**

I hereby affirm that:

I, _____ am the _____
(Printed Name) (Title) and

the duly authorized representative of the Developer of:

(Name of Firm) whose
address is:

(Street)

(City/State/Zip)

and that I possess the legal authority to make this affidavit on behalf of myself and the Developer for which I am acting.

Except as described below, neither I nor the above Developer, not to the best of my knowledge and of its officers, directors or partners, or any of its employees directly involved in obtaining contracts with the State or any county, bi-county or multi-county agency, or subdivision of the State have been convicted of, or have pleaded nolo-contendere to a charge of, or have during the course of an official investigation or other proceeding admitted in writing or under oath acts or omissions which constitute bribery, attempted bribery, or conspiracy to bribe under the provisions of Article 27 of the Annotated Code of Maryland or under the laws of any state or federal government (conduct prior to July 1, 1977 is not required to be reported).

(State “none” or, as appropriate, list any conviction, plea or admission described in the paragraph above, with the date, court, official or administrative body, the individuals involved and their position with the Developer, and the sentence or disposition, if any.)

I acknowledge that this affidavit is to be furnished to the City, I acknowledge that, if the representations set forth in this affidavit are not true and correct, the City may terminate any Contract awarded and take any other appropriate action. I further acknowledge that I am executing

this affidavit in compliance with section 16D of Article 78A of the Annotated Code of Maryland, which provides that certain persons who have been convicted of or have admitted to

bribery, attempted bribery or conspiracy to bribe may be disqualified, either by operation of law or after a hearing, from entering into contracts with the State or any of its agencies or subdivisions.

I do solemnly declare and affirm under the penalties of perjury that the contents of this affidavit are true and correct.

Signature

Printed Name

SECTION 7: REQUIRED FORMS - OWNERSHIP DISCLOSURE FORM

COMPANY NAME: _____

TYPE OF COMPANY (circle one):

ADDRESS: _____

*Sole Proprietorship

*Partnership

*Corporation

FEIN#: _____

*Limited Liability Corporation

INSTRUCTIONS: Provide below the names, offices held and any ownership interest of all officers of the firm. If additional space is necessary, provide on an attached sheet.

NAME	OFFICE HELD	OWNERSHIP INTEREST (Shares Owned or % of Partnership)
------	-------------	--

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

INSTRUCTIONS: Provide below the names, offices held and ownership interest of all individuals not listed above, and any partnerships, corporations and any other owner having a 10% or greater interest in the firm named above. If a listed owner is a corporation or partnership, provide below the same information for the holders of 10% or more interest in that corporation or partnership. If additional space is necessary, provide that information on an attached sheet. If there are no owners with 10% or more interest in your firm, enter "None" below.

NAME	OFFICE HELD	OWNERSHIP INTEREST (Shares Owned or % of Partnership)
------	-------------	--

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

OWNERSHIP DISCLOSURE FORM – cont'd

COMPLETE ALL QUESTIONS BELOW

	YES	NO
1. Within the past five years, has another company or corporation had a 10% or greater interest in the firm identified above? (If yes, complete and attach a separate disclosure form reflecting previous ownership interests.)	_____	_____
2. Has any person or entity listed in this form or its attachments ever been arrested, charged, indicted or convicted in a criminal or disorderly persons matter within the State of Maryland, any other state or the U.S. Government? (If yes, attach a detailed explanation for each instance.)	_____	_____
3. Has any person or entity listed in this form or its attachments ever been suspended, debarred or otherwise declared ineligible by any agency of government from proposaling or contracting to provide services, labor, material or supplies? (If yes, attach a detailed explanation for each instance.)	_____	_____
4. Are there now any criminal matters or debarment proceedings pending in which the firm and/or its officers and or managers are involved? (If yes, attach a detailed explanation for each instance.)	_____	_____
5. Has any federal, state or local license, permit or other similar authorization, necessary to perform the work applied for herein and held or applied for by any person or entity listed in this form, been suspended or revoked, or been the subject of any pending proceedings specifically seeking or litigating the issue of suspension or revocation? (If yes to any part of this question, attached a detailed explanation for each instance.)	_____	_____

CERTIFICATION: I, being duly authorized, hereby represent and state that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge. I acknowledge that the City of Salisbury is relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with the City of Salisbury to notify the City in writing of any changes to the answers or information contained herein. I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement with the City of Salisbury and the City at its option, may declare any contract(s) resulting from this certification void and unenforceable.

PRINTED NAME: _____

SIGNATURE: _____

DATE: _____

WITNESS: _____

AFFIX CORPORATE SEAL HERE

SECTION 8: REQUIRED FORMS - NON-COLLUSIVE AFFIDAVIT

_____ being first duly sworn, deposes
and says that:

1. He/she is the _____, (Owner, Partner, Officer, Representative or Agent) of _____, the Developer that has submitted the attached Proposal Document;
2. He/she is fully informed respecting the preparation and contents of the attached Proposal Document and of all pertinent circumstances respecting such Proposal Documents;
3. Such Proposal Document is genuine and is not a collusive or sham Proposal Document;
4. Neither the said Developer nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, have in any way colluded, conspired, connived or agreed, directly or indirectly, with any other Developer, firm, or person to submit a collusive or sham Proposal Document in connection with the Services for which the attached Proposal Document has been submitted; or to refrain from proposaling in connection with such Services; or have in any manner, directly or indirectly, sought by agreement or collusion, or communication, or conference with any Developer, firm, or person to fix the price or prices in the attached Proposal Document or of any other Developer, or to fix any overhead, profit, or cost elements on the Proposal Document price or the Proposal Document price of any other Developer, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any disadvantage against (Recipient), or any person interested in the Services;
5. The price or prices quoted in the attached Proposal Document are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Developer or any other of its agents, representatives, owners, employees or parties in interest, including this affiant.
6. Signed, sealed and delivered in the presence of:

Witness

Witness

By: _____
Signature

Printed Name

Title

A RESOLUTION of the Council of the City of Salisbury for the purpose of accepting a proposal from Frank B. Hanna, Sr. for the purchase of real property owned by the City of Salisbury located on the North side of the Wicomico River and East of and adjacent to the Port of Salisbury Marina, containing approximately 44,700 square feet, and being 1.03 acres, more or less, of land.

WHEREAS, the City of Salisbury has determined that it is in the best interest of the citizens of the City of Salisbury to sell the City of Salisbury's surplus property as described above; and,

WHEREAS, pursuant to the City of Salisbury's Charter and Ordinances relating to the sale of surplus property in blighted areas, as defined at Section 13-1 of the Charter of the City of Salisbury, the property described above was offered for sale and a bid has been received in the amount of One Hundred Thousand Dollars (\$100,000.00) for the purchase of the property by Frank B. Hanna, Sr.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Salisbury, Maryland, in regular session on the ____ day of _____, 1999, pursuant to proper authority granted to it, as follows:

A. That the City of Salisbury accepts the bid of One Hundred Thousand Dollars (\$100,000.00) by Frank B. Hanna, Sr. for the purchase of the real property described above.

B. That the City of Salisbury determines that One Hundred Thousand Dollars (\$100,000.00) is the property's fair market value for the use proposed and such

written Disposition Contract being executed by the parties. The terms of the Disposition Contract control and the Resolution herein is for accepting the bid. Subject to the above, the conditions are as follows:

1. Parking. The City of Salisbury will provide parking for the restaurant to be constructed on the real estate being purchased for a period of time and in conjunction with Marina users, all as more specifically set forth in the Disposition Contract.

2. Boat Slips. Use of the 14 boat slips in front of the restaurant property and use of the adjacent T-pier will be as set forth in the Disposition Contract.

3. Dock Bar. A dock bar can be expanded on to City of Salisbury piers, but such expansion of the dock to be constructed at Frank B. Hanna, Sr.'s expense and not be inconsistent with Program Open Space regulations.

4. Riverfront Walkway. A sidewalk from the bridge tender's building to the restaurant to be constructed by the City of Salisbury. Riverfront walkway to be completed as funds become available.

5. Left Turn on Route 50. City of Salisbury to use its best efforts to complete.

6. Outdoor Events. As permitted by law.

7. Utilities. No fees waived.

8. Taxes. No taxes waived.

the Marina for a period of five (5) years.

10. First Option on Leasing Marina. Denied.

11. Manufacturing Credit and Enterprise Zone. Will have to be applied for by Frank B. Hanna, Sr.

D. That Frank B. Hanna, Sr. and the City of Salisbury will not perform any further environmental assessment and the responsibility for any remediation procedures.

F. That the City of Salisbury shall proceed to sell the property pursuant to the terms of a Disposition Contract.

G. That the final plans for structures, material lists, site improvements, landscaping, parking, etc., shall be approved as required by the City Code and also shall be approved by the Mayor and City Council before a deed conveying the property shall be executed.

H. Settlement on the property shall occur within 180 days of the date of this Resolution, otherwise the acceptance of the bid and the Resolution shall be deemed null and void.

Brenda J. Colegrove,
City Clerk

Robert P. Cannon,
Council President

APPROVED BY ME this _____ day of
_____, 1999.

Barrie P. Tilghman,
Mayor of the City of Salisbury

WESTSIDE PORT OF SALISBURY MARINA

PHASE 4

• COMMERCIAL / ASTRAL W/ OPTIMAL
RESIDENTIAL UNITS ABOVE

PHASE 1

• HARPOON HAMMA'S RESTAURANT
• EXPAND MARINA PARKING
• INTERMIT MARYLAND LADY CRANT

FRANKLIN
HOTEL

PHASE 3

• COMMERCIAL / ASTRAL W/ OPTIMAL
RESIDENTIAL UNITS ABOVE

PHASE 2

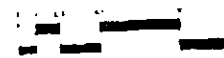
• EXPAND RESTAURANT
• EXPAND MARINA PARKING LINE & MARIN STREETS

--- REMOVE EXISTING FENCE

— NEW FENCED AREA

3.23.98

SCALE 1"=10' S. 2115'



W I C O M I C O

Edith

A RESOLUTION of the Council of the City of Salisbury for the purpose of accepting a Disposition Contract between the City of Salisbury and Frank B. Hanna, Sr. setting forth the terms and conditions of the purchase and construction of the restaurant on the North side of the Wicomico River and East side of and adjacent to the Port of Salisbury Marina.

WHEREAS, the City of Salisbury has determined that it is in the best interest of the citizens of the City of Salisbury to sell the City of Salisbury's surplus property as described above to Frank B. Hanna, Sr.; and,

WHEREAS, pursuant to the City of Salisbury's Charter and Ordinances relating to the sale of surplus property in blighted areas, as defined in Section 13-1 of the Charter of the City of Salisbury, the property described above was offered for sale and a bid has been received in the amount of One Hundred Thousand Dollars (\$100,000.00) for the purchase of the property by Frank B. Hanna, Sr.; and,

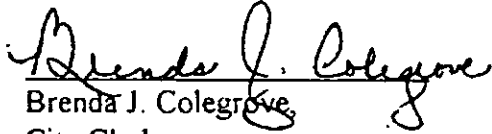
WHEREAS, the City of Salisbury and Frank B. Hanna, Sr. have negotiated a Disposition Contract which sets forth the terms and conditions of the purchase and development of said parcel.

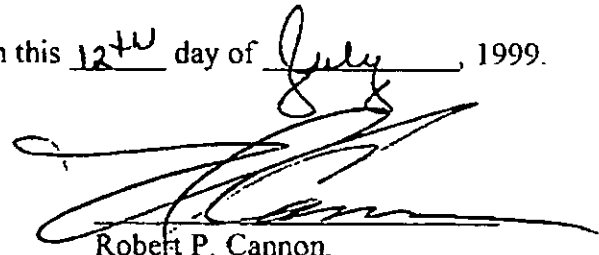
NOW, THEREFORE, BE IT RESOLVED by the City Council of Salisbury, Maryland, in regular session on the 12th day of July, 1999, pursuant to proper authority granted to it, as follows:

A. That the City of Salisbury shall execute the Disposition Contract between the City of Salisbury and Frank B. Hanna, Sr., which is attached hereto and

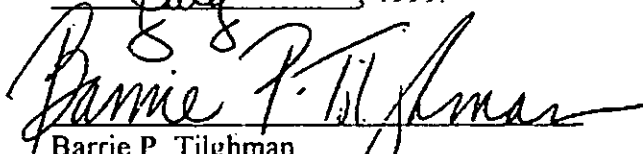
days of the date of this Resolution, otherwise, the Disposition Contract shall be deemed null and void.

The above Resolution was introduced and read and passed at the regular meeting of the Council of the City of Salisbury held on this 12th day of July, 1999.


Brenda J. Colegrove,
City Clerk


Robert P. Cannon,
Council President

APPROVED BY ME this 15th day of July, 1999.


Barrie P. Tilghman,
Mayor of the City of Salisbury

NOW, THEREFORE, for good and valuable consideration, the within Disposition Contract is hereby entered into between the City and Hanna pursuant to the following terms and conditions:

1. Hanna will purchase from the City and the City agrees to sell to Hanna real property as further described and set forth in Exhibit "A" attached. Hanna will devote subject parcel to the use as a restaurant or such other use as permitted in writing by City, which permission will not be unreasonably withheld, as specified in the Proposal for the Property dated June 21, 1999, Exhibit "B" attached, and by Resolution No. 657, Exhibit "C" attached. The purchase price shall be One Hundred Thousand Dollars (\$100,000.00), of which Ten Thousand Dollars (\$10,000.00) has been paid as a deposit, the balance to be paid at settlement. Settlement to take place within one hundred eighty (180) days of June 12, 1999.

1.1. Hanna accepts the property in "as is" condition; and City makes no warranties, guarantees or other representations with respect to the condition of the property, except that the City warrants that the City has done nothing to adversely affect the environmental quality of the land during the time that the City has owned the property and City has no knowledge of any environmental deficiencies other than remediation action previously taken on an adjoining property and such other information as may have been developed by a study performed by Mulligan's Marina Restaurant Group of a portion of this area, all of such reports which City has shall be made available to Hanna and all obligations hereunder shall be subject to Hanna's reasonable satisfaction, with the information provided within thirty (30) days. Hanna accepts the property subject to all other information or knowledge which Hanna has or should have by due diligence on his part.

1.2. City shall bear all risk of loss or physical destruction of the property until time of

settlement.

LAW OFFICE
WEBB, BURNETT,
KSON, CORNBROOKS,
WILBER, VORRIS
& DOUSE, LLP
P O BOX 910
SALISBURY, MARYLAND
AREA CODE 410
TELEPHONE 742-3176

WHEREAS, the Mayor and City Council have determined that there is a strong public need for increased development activities in the City; and,

WHEREAS, the Mayor and City Council have determined that there is surplus or unused City-owned property that should be developed; and,

WHEREAS, the Mayor and City Council, pursuant to the Salisbury Charter, SC13-6, have the right to offer at public sale surplus urban renewal 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 the design of the site and proposed building; and,

WHEREAS, the Mayor and City Council have determined that the sale, lease or other transfer of control of such property should be conditioned upon and require a commitment from the purchaser to develop such property in a manner which will best promote and support the City and which will promote development, raise the City's tax base, make effective use of past investment and capital improvements and prevent land speculation; 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 located on the North side of the Wicomico River and East of and adjacent to the Port of Salisbury Marina, containing approximately 44,700 square feet; and,

WHEREAS, pursuant to the City's Charter and Ordinances, the Property was offered for sale and a bid has been received in the amount of One Hundred Thousand Dollars (\$100,000.00) for the purchase of said property by Hanna; and,

WHEREAS, pursuant to Resolution No. 658, the City was authorized to accept the

foresaid bid upon the terms and conditions set forth therein and, in addition, to include certain

other requirements and obligations as the City determines; and,

LAW OFFICE OF
EBB, BURNETT,

SON, CORNELL, &
HILBER, VORHIS

& DOUSE, LLP

P O BOX 910

SALISBURY, MARYLAND

AREA CODE 410

TELEPHONE 742-3176

remediation procedures.

1.3.1. Hanna may perform any reasonably required preconstruction engineering tests (not environmental assessments). If these tests reveal any environmental risks, Hanna shall have no recourse against City and Hanna must proceed under the terms of this Disposition Contract.

1.4. Indemnity:

A. Hanna shall indemnify, defend and save harmless City 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 City occasioned in any way by hazardous substances on the property or by the negligent or intentional activities of Hanna before, during or after Hanna's acquisition of the property, unless such suits, actions, etc. arose from activity by the City on the subject property with the City's actual knowledge while the property was owned by the City.

B. This indemnity specifically includes the direct obligation of Hanna 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, however it came to be located thereon (hereinafter the "remedial work"). Hanna shall perform all such work in his own name in accordance with applicable law, as herein defined.

C. Without waiving its rights hereunder, City may, at its option, perform such remedial or removal work as described in subparagraph B above and thereafter seek reimbursement for the costs thereof. Hanna shall permit City access to the site to perform such remedial activities.

D. Whenever City has incurred costs described in this section, Hanna shall, within thirty (30) days of receipt of notice thereof, reimburse City for all such expenses.

shown on Exhibit "A" which is to be conveyed to Hanna. This area shall accommodate not less than 114 vehicles. There shall be no charge to Hanna for this parking for at least eight (8) years after the restaurant opens. Thereafter, the City may charge not more than its customary rates for downtown parking. Also, if in the future fee parking is instituted by the City, the City will endeavor to provide a manned parking attendant and use a "pay as you leave" arrangement. This parking obligation shall run as a servitude with the land retained by the City. These parking provisions shall be established by a recorded easement¹ agreement or a recorded plat notation as acceptable to the attorneys for both Hanna and the City. City further agrees to provide overflow parking of approximately sixty (60) gravel spaces on City property until such time as City desires to develop such property or sell as surplus property. Notwithstanding the above, City is under no obligation to provide parking and any such servitude would cease if the restaurant or other authorized use on the parcel shown on Exhibit "A" would cease to operate. The term "cease to operate" is intended to mean in this subparagraph 2.1 and subparagraph 2.5 and 2.6 that the restaurant or other authorized use would discontinue operation for a two (2) year period.

2.2. Riverwalk. The City will use its best efforts to extend the Riverwalk from the Bridge Tender's building to the Marina as funds become available. However, a sidewalk will be constructed at City's expense from Bridge Tender's building to Marina within a reasonable period of time.

2.3. Survey. City will, at its own cost and expense, provide the minimum necessary surveying and have the parcel described in Exhibit "A" subdivided.

2.4. Stormwater Management Plan. City and Hanna will cooperate in the preparation of a stormwater management plan.

2.5. Boat slips/T-Pier. The City shall provide a boat parking and dock area immediately

adjacent to the parcel shown on Exhibit "A", which is to be conveyed to Hanna. This area shall

west of the restaurant, plus the end slip in the "T-pier" and, including the bulkhead where the Maryland Lady previously docked. There shall be no fees or charges to Hanna for these 22 slips, docks or bulkhead boat parking. The eight (8) slips on the West side of the aforementioned T-pier shall also be provided without charge for sixty (60) months from the opening of the restaurant. Thereafter, the eight (8) slips, on the West side of the "T-pier", shall be at a charge negotiated in good faith between the parties. This arrangement shall be established by recorded easement agreements or recorded plat notations or lease acceptable to the attorneys for both Hanna and the City. Notwithstanding the above, the City is under no obligation to provide boat parking and dock area and any such easement, license, or lease would cease if the restaurant or other authorized use on the parcel shown on Exhibit "A" would cease to operate. Notwithstanding the above, Hanna's use of such Boat slips shall be for transient customers use only and will not be rented on a long-term basis or in any manner which may compete with the City's rental of Boat slips in the Marina. Additionally, it is specifically agreed that Hanna may own, operate and manage water sports facilities including, but not limited to, tour boats, paddle boats and any and all other legally permitted water sports facilities from the dock areas and that the City will use its best efforts to facilitate any and all licenses or permits which may be required.

2.6 Deck/Dock Bar. Hanna may use the existing deck area riverside of and in front of the proposed restaurant described above for outdoor eating decks or bars which may include the placing of decks over existing bulkheads, decks and piers. Any such use, however, must comply with all Program Open Spaces and Corps of Engineer criteria regulations and requirements and any modifications must be made at Hanna's cost and expense. Hanna's obligation, however, shall be contingent upon receiving all such permits and licenses necessary

to build the restaurant facility according to the plans approved by the City in advance; and, if such permits and licenses are not obtained prior to settlement, all deposits shall be refunded.

no obligation to permit the use of the dock area if the restaurant or other authorized use on the parcel shown on Exhibit "A" would cease to operate as defined above. If such use ceases the dock bar area will be returned to its original condition by Hanna.

2.6.1. Maintenance of Piers and Bulkhead. The Boat slips and T-pier and decks which are in Hanna's control pursuant to Section 2.5 and 2.6 hereof shall be maintained, repaired and replaced by Hanna. The responsibility of maintenance of the bulkheads in such areas is the responsibility of City and not Hanna. Hanna agrees not to construct permanent improvements which will interfere with the maintenance of the bulkheads and related tiebacks.

2.7. Route 50 Left Turn. The City will use its best efforts to request the State of Maryland to permit a left turn onto Lake Street from Route 50 West.

2.8. Marina Sign. The City will permit Hanna, at his own cost and expense, to locate an appropriate sign at the current location of the Port of Salisbury sign on Route 50, such designs and size to be approved by the City, including a temporary sign during construction. If City desires an additional sign or signs for others to be located on Hanna's sign, then Hanna will permit additional signs of others to be located on his sign, provided sign is approved by Hanna and the user of such sign participates in the cost in a fair and reasonable manner.

2.9. Subject to Appropriation. At anywhere in this Disposition Contract where the City is obligated to spend funds and those funds are subject to appropriations being made by the City, the City agrees to appropriate the funding within a time frame which coincides with the construction schedule of the restaurant.

2.10. City's Responsibility. Notwithstanding anything herein, the City is under no duty to perform any of its obligations herein unless Hanna is in compliance with the terms of this Disposition Contract and is actively pursuing construction of or has constructed the restaurant contemplated herein.

2.11. Restaurants Permitted on Marina Property. City will not permit any other

Fitzwater Street, running from the bridge tender to the end of the City Marina, generally known as the City Marina area, for a period of five (5) years beginning on the date of opening of the Hanna Restaurant and Hanna's receipt of an occupancy permit.

2.12. Outdoor Events. Hanna may conduct outdoor events on the property as permitted by law.

2.13. Marina Fencing. That with the review and advice of the City Marina Commission, the City agrees that the chain link fencing currently located in the area of the bridge tender running to the area near the Dock Master house shall be removed and that a fenced area will be constructed to enclose certain parts of the long-term parking as shown on the attached Exhibit "D" showing the dashed line as the existing fence to be removed and a solid line as the new fenced area. Exhibit "D" is attached hereto and incorporated herein.

3. The deed from the City to Hanna for the property described in Exhibit "A" will contain a covenant that the property will initially be developed as a restaurant, as set forth in Hanna's Proposal for the property.

4. Hanna hereby agrees, for himself, his successors and assigns, and every successor in interest to the property, or any part thereof, that Hanna, or any of his such successors and assigns, shall promptly begin and diligently prosecute to completion the development of the property through the construction of the improvements as envisioned in the Development Proposal for the Property Exhibit "E", and that such construction shall begin and be in reasonable accordance with Schedule, Design, Engineering and Construction attached hereto and incorporated herewith as Exhibit "F".

5. The deed conveying the property shall expressly provide in an abbreviated format acceptable to the attorney for the City and the attorney for Hanna that the agreements and

covenants provided for in the Development Proposal for the Property and this Disposition shall be included therein as covenants running with the land and shall be binding

agreements pursuant to the Development Proposal for the Property and this Disposition

Contract are for the purpose of development of the property in accordance with the Development Proposal for the Property and not for speculation in landholding. Hanna covenants that the purpose is not for speculation.

7. Hanna agrees that none of the provisions of Ordinance No. 1463 or this Disposition Contract are intended to or shall be merged by reason of any deed transferring title to the property to Hanna or to any successor in interest.

8. Hanna agrees that all final plans for structures, site improvements, landscaping, etc. (except parking which is provided for in Paragraph 2.1 hereof) shall be in accordance with the requirements of the City Code and shall also be approved by the Mayor and City Council, who retain the authority pursuant to Paragraph 14 of Ordinance No. 1463 to modify or waive any or all requirements. The approval of the Mayor and Council shall occur before settlement and before a deed conveying the property shall be executed.

9. Hanna hereby agrees to retain the interest he acquires in such property until construction of the required development is completed and hereby agrees not to sell, lease or otherwise transfer the interest acquired or any part thereof without the prior written consent of the City until the City shall have certified in writing that Hanna has completed construction. Until completed, such sale, lease or transfer shall be made pursuant to the provisions hereof. In the absence of any such written agreement, no such transfer shall be effective and shall not relieve Hanna of his obligations under the Disposition Contract.

10. The term "completed construction" shall be defined for the purposes of this agreement to mean at such time that the building is structurally complete to the point that the building inspector of the City would ordinarily issue an occupancy permit.

11. Hanna hereby agrees that, prior to completion of the improvements as set forth in

the Development Proposal for the Property, he may not mortgage or encumber the property

complete the improvements. Hanna hereby agrees that, in the event of default in the Hanna's mortgage, the City shall have the option of paying to the holder the amount of the mortgage debt and securing an assignment of the mortgage and the debt secured thereby.

12. Hanna agrees that, in the event that prior to conveyance of the property to Hanna, if Hanna, in violation of this Disposition Contract, assigns or attempts to assign this Disposition Contract, or does not submit a final development plan within the time as required by this Disposition Contract or does not pay the purchase price and take title to the property upon tender of conveyance by the City pursuant to this Disposition Contract, then, in such event, this Disposition Contract, and the acceptance of Hanna's bid, at the option of the City, shall be terminated and the deposit shall be retained by the City as liquidated damages, which the parties agree shall be the City's sole and exclusive remedy, unless Hanna would attempt to make any claim against the City, then, in that event, the City may sue for all damages, including, but not limited to, breach of contract, specific performance and any other damages contemplated herein.

13. Hanna agrees that, in the event that subsequent to the conveyance of the property to Hanna, Hanna shall default in or violate the Disposition Contract, prior to the completion of the development as certified by the City, including, but not limited to, failing to construct the improvements or shall abandon or substantially suspend construction work, or by failing to begin or complete the project in the period specified in the Disposition Contract, or by failing 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 after sixty (60) days written demand by the City, then the City shall have the right, but not the obligation, to re-enter and take possession of the property and to terminate (and revert in the City) the estate conveyed by

deed to Hanna and declare a termination of the Disposition Contract and revert of the property to the City and the City shall have in such event the power to execute and file for

tion of any mortgage authorized by the Disposition Contract and shall not apply to any parts or parcels upon which the improvements have been completed in accordance with the Disposition Contract and for which a certificate of completion has been issued. Furthermore, if the inclusion of the reverter provisions outlined in this paragraph are determined to be an encumbrance on the property which renders the title to the property to be unmerchantable or unmarketable as those terms are customarily defined in real estate law, then the final deed shall not include such a provision but shall provide personal guaranties and obligations of Hanna which gives the City, in the opinion of the City Solicitor, sufficient protection.

Hanna shall not be in default for failure to complete the project if such failure is caused by an enforced delay due to unforeseen causes beyond his control and without his fault or negligence provided Hanna, within ten (10) days of the start of any such enforced delay, has notified the City in writing and requested an extension for the period of the enforced delay, which City shall not unreasonably withhold.

Upon reverting of title to the City, the City shall use its best efforts to resell the parcel or part thereof as soon as is feasible and consistent with the City's objectives of the use of this site for a waterfront restaurant to a qualified party (as determined by the City) who will assume the obligation of completing the improvements or such other improvements in their stead as shall be satisfactory to the City.

Upon resale of the property, the proceeds thereof shall be applied:

(a) First, to reimburse the City for all costs and expenses incurred by the City, including employees reasonable salaries in connection with the recapture, management and resale of the property or part thereof; all taxes, assessments and water and sewer charges with respect to the property or part thereof; any payments made to discharge any encumbrances or liens on the property or portion thereof; any expenditures or obligations incurred with respect

to making or completing the improvements; any other amounts owed or due to the City by

the sum of the purchase price paid by him for the property and the cash actually invested by him in the making of improvements on the property or part thereof, less any gains or income withdrawn or made by him from the Development Proposal for the Property or from the property.

(c) Any balance remaining after such reimbursements shall be retained by the City as its property.

14. Hanna hereby agrees that the City will reserve the appropriate easements for installation and maintenance of utilities as required.

15. Promptly after completion of the improvements in accordance with the provisions of this Disposition Contract relating to the obligation of Hanna to construct the improvements, the City will furnish Hanna with an appropriate instrument in recordable form so certifying. Such certification by the City shall be (and it shall be so provided in the deed and in the certification itself) a conclusive determination of satisfaction and termination of the development plan and covenants therein and in the deed with respect to the obligations of Hanna, and his successors and assigns, to construct the improvements.

Upon receipt of the certificate of completion and the recordation of same, all of the reverter provisions hereinbefore recited shall lapse and be of no further effect, other than the covenant that the improvements shall always comply with the zoning ordinances of the City.

16. That the City shall provide good and merchantable title to said property, free of liens and encumbrances, and will provide, at Hanna's expense, a deed containing further assurances and special warranty for the property described in the Disposition Contract.


17. All costs of title examination, deed preparation, transfer tax, documentary stamps, etc., if any, shall be at the sole expense of Hanna.

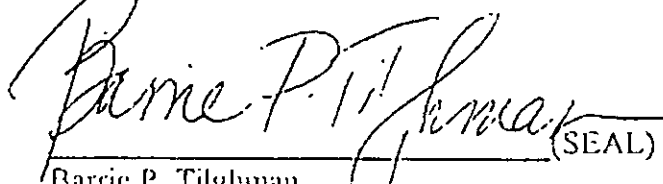
18. Notwithstanding the above, neither party herein is obligated to proceed until such time as counsel for Hanna and counsel for city confirm that the above-contemplated

AS WITNESS the execution hereof by the parties hereto all as of the day and year first above written.

ATTEST:

CITY OF SALISBURY


Brenda J. Colegrove,
City Clerk


Barrie P. Tilghman,
Mayor (SEAL)

WITNESS:

Frank B. Hanna, Sr. (SEAL)

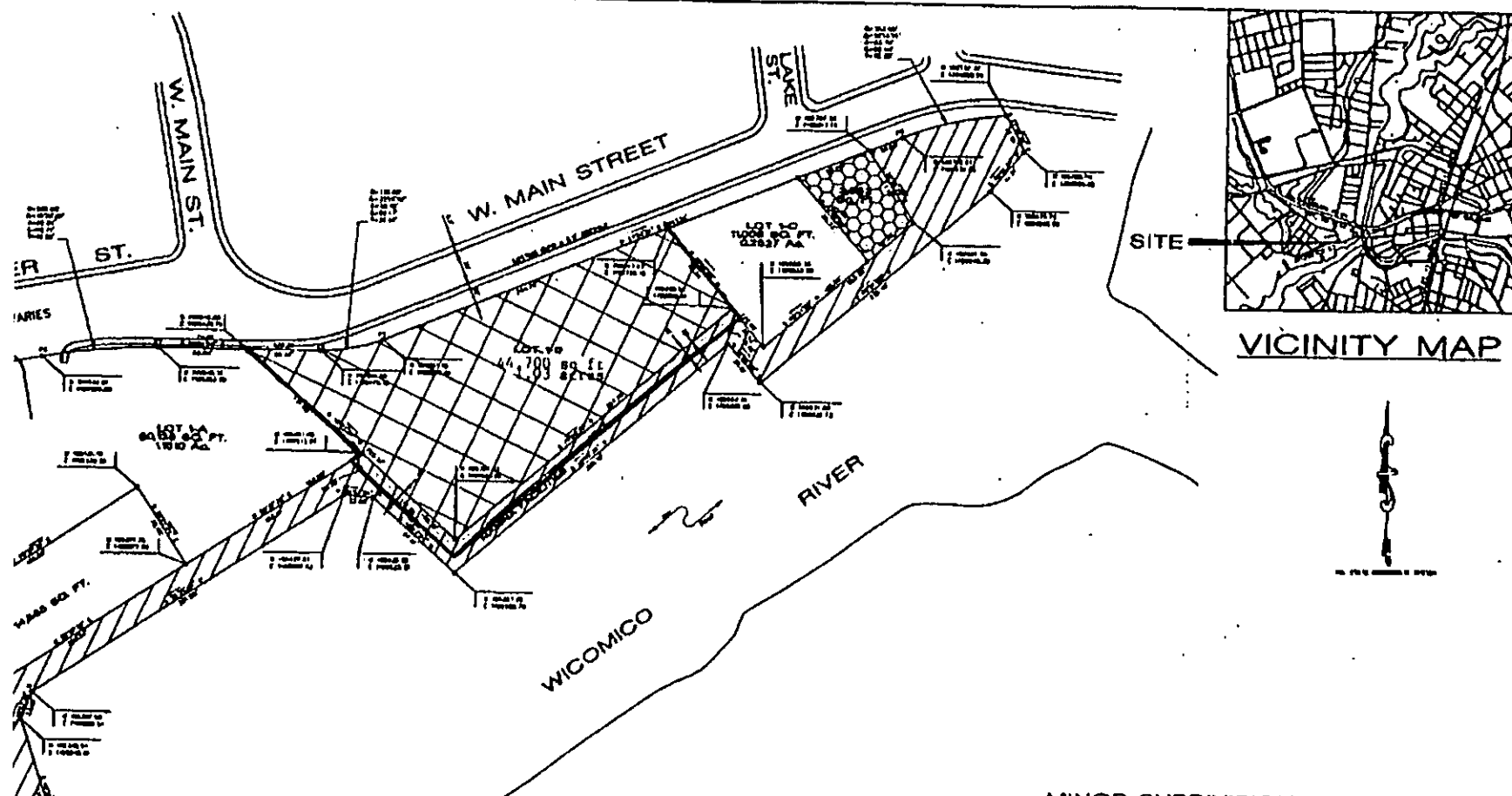
"Grantor", witnesseth:

THAT FOR AND IN CONSIDERATION of the sum of ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$125,000.00) and other good, valuable and sufficient considerations in hand paid, receipt of which is hereby acknowledged, the said Grantor does hereby grant and convey unto FRANK B. HANNA, SR., hereinafter referred to as "Grantee", his personal representatives and assigns, all the following described property:

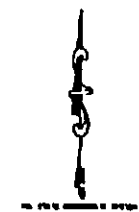
ALL that lot, tract, or parcel of land situate, lying, and being in the City of Salisbury, Salisbury Election District, Wicomico County, State of Maryland, and being located on and binding upon the South side of West Main Street, containing 44,700 square feet of land, more or less, all as more particularly shown and designated as Lot 1-B, Block "2" on the plat entitled "Minor Subdivision of Lot 1, Block 2, Salisbury Marina" dated July 12, 1999, and recorded among the Land Records of Wicomico County, Maryland in Plat Cabinet M.S.B. No. 11, Folio 352; AND BEING a part of the same land conveyed unto the within Grantor by the following Deeds:

(1) Deed from Robert Lee Tarr dated January 3, 1984, and recorded among the Land Records of Wicomico County, State of Maryland, in Liber A.J.S. No. 1003, Folio 817; (2) Deed from J. Calvin Morris, et al, dated January 3, 1984, and recorded among the aforesaid Land Records in Liber A.J.S. No. 1003, Folio 881; (3) Deed from James W. Taylor, Jr., dated January 9, 1984, and recorded among the aforesaid Land Records in Liber A.J.S. No. 1004, Folio 312; (4) Deed from James W. Taylor, Jr., dated January 3, 1984, and recorded among the aforesaid Land Records in Liber A.J.S. No. 1003, Folio 820; and (5) Deed from C. J. Langenfelder & Sons, Inc., dated December 4, 1984, and recorded among the aforesaid Land

Records in Liber A.J.S. No. 1005, Folio 882



VICINITY MAP



- DENOTES RAILROAD SPIKE SET
- DENOTES CONCRETE MONUMENT SET
- ORIGINAL P.O.B. LAND
- RESTAURANT PROPERTY - 40,718 SQ. FT.
- PROPOSED ADDITION TO RESTAURANT PROPERTY - 3,982 SQ. FT. (OUT OF "PROGRAM OPEN SPACE" LAND)
- 3,982 SQ. FT. AREA TO REPLENISH "PROGRAM OPEN SPACE" LAND

44,700 sq. ft.

APPROVALS		
CITY ENGINEER	PLANNING COMMISSION CHAIRMAN	PLANNING & ZONING OFFICER
DATE	DATE	DATE

MINOR SUBDIVISION

SALISBURY MARINA

CITY OF SALISBURY
WICOMICO COUNTY, MARYLAND



PLANNING & ZONING OFFICER
PLANNING COMMISSION CHAIRMAN
CITY ENGINEER

BIDDING

COPY

June 21, 1999

Riverfront Development Bid

Mayor and Council
City of Salisbury
Purchasing Department
Salisbury MD

Dear Mayor and Council:

Again, I am submitting a bid and proposal for the Riverfront Development Project.

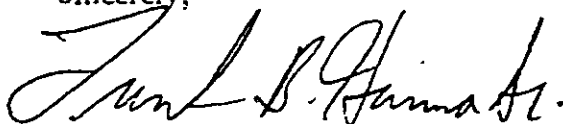
We have been through this process many times. I feel the final pieces are coming together and that this time we will have a viable plan that will work. There is still tremendous risk involved, but the benefits for Salisbury will also be great. The impact will be felt for years to come.

My initial investment of roughly one million dollars will create 60+ jobs during construction and 100+ jobs during phase one of the project. The additional phases would have similar impact.

I look forward to making this project happen with your blessings and participation.

If you have any questions concerning this bid, please contact me.

Sincerely,



Frank B. Hanna, Sr.
Proprietor

FRANK B HANNA, SR
1114 East Main Street
Salisbury MD 21802

Successful Entrepreneur born and raised in Salisbury, MD. Began business career at the age of nine selling newspapers. Started out in the restaurant business as a busboy in Ocean City, MD at age fifteen. Also owned and operated a beach stand at the same time.


Graduate of Brandywine College and Florida International University Hotel Restaurant School.

Developed and operated ten successful restaurants through the years, including three waterfront locations. The most famous one being Harpoon Hanna's at Fenwick Island, DE. Harpoon Hanna's has been ranked by Hospitality Magazine in the top one hundred grossing restaurants in the United States from 1986 to present.

Own and/or developed several Residential complexes and commercial properties in Salisbury, MD. The largest being the 90 home Township development.

Member of the Board of Directors with the Greater Salisbury Committee, Peninsula Regional Medical Center, and Peninsula Bank.

Contributor to local foundations and charities such as: Ward Museum, Salisbury School, Peninsula Regional Medical Center, Community Foundation and Salisbury Zoo.

- 
- Create a casual waterfront restaurant
 - Maximize waterfront views
 - Integrate Riverwalk promenade with waterfront dining terrace
 - Provide “anchor” business for Westside revitalization
 - Activate/animate Salisbury’s waterfront
 - Provide Master Plan for future development along waterfront
 - Maintain view corridors from US Route 50 to River
 - Provide employment for over 100 people in Phase I
 - Generate significant City revenue through property taxes
 - Provide an urban waterfront attraction for tourists by boat and car
 - Inspire other Westside redevelopment

The attached Site Master Plan drawing reflects the total development concept proposed. However, the City has requested a proposal for only a portion of this site (44,700 SF) at this time. Therefore, this bid proposal is for Phase 1 and 2 of this Master Plan only.

Phase 1

Developer - Proposes to construct an 8,000 SF 250-seat restaurants with a 2,000 SF dining terrace for 100 people, and a Dock Bar.

City

- Relocate entrance to Marina as shown on Site Plan
- Expand Marina parking lot to approximately 114 cars total
- Expand municipal parking at northeast corner of Lake and West Streets to total approximately 129 cars
- Improve the Fitzwater/West Main Street corridor and related infra-structure including landscaping
- Complete Riverwalk, connecting West Main Street bridge and Marina along the Riverfront
- Remove Marina perimeter security fencing completely except for fencing at the T-Piers allowing access to all parking spaces

Phase 2


Developer - Expand the Restaurant with a 2,500 SF dining room for 125 people when deemed financially feasible.

Note: Developer reserves the right to refine the proposed Master Plan and Restaurant design to the mutual satisfaction of the City and its review agencies.

DEVELOPMENT COSTS

The preliminary estimate for development costs is as follows:

Restaurant - 8,000 SF @ \$125/sf = \$1,000,000.

- 
1. Previous Agreement: Bid proposal to be consistent with the previously negotiated Disposition Agreement dated May 19, 1998.
 2. Sidewalks: Any sidewalk replacement/work in regards to utility pole relocation or depressed curves to be done by the City.
 3. Dock Bar: Enlarge the existing Dock pier to an outdoor bar.
 4. Parking: All parking provided by the City to be well lit.



JUNE 21, 1999:	Submit bid proposal
July 21, 1999:	Award Bid
SEPTEMBER 21, 1999:	Begin Construction
APRIL 21, 2000:	Completion of construction Shakedown and punchlist
SUMMER/FALL 2000:	Grand Opening

We hereby submit our proposal for Contract No. 106-99 as specified, including all required documentation for developing said parcel located within the City of Salisbury, Salisbury, Maryland and described as:

"A parcel of waterfront land situated on the north side of the Wicomico River and east of and adjacent to the Port of Salisbury Marina containing approximately 44,700 square feet and is 1.03 acres of land."

Having carefully examined the "Instructions to Bidders," General and Special Conditions, Urban Renewal Area Regulations and Instructions, applicable sections of the Salisbury Charter, Maps and other documents and the Form of Proposal for the subject parcel, and having received clarification on all questions of conflict or upon which any doubt arose, the undersigned proposes to be in agreement with the said documents.

Developer is bidding on this parcel as described, defined and presented in the attached specifications, drawings and above.

OPTION A:

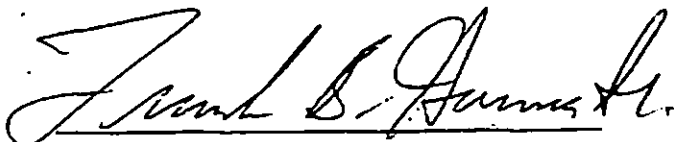
One Hundred Thousand Dollars	\$100,000.00
(Price in Words)	(Numerals)

OPTION B:

(% of Gross Sales in Words)

% of Gross Sales

PROFORMA substantiating % of Gross Sales offer is attached to this FORM OF PROPOSAL.

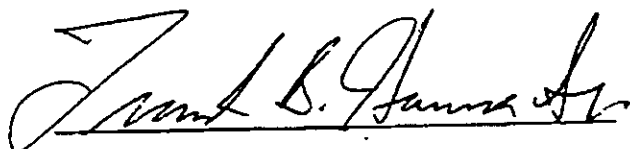


Sign for Identification

to complete the sale.

Developer shall begin the development within nin ety (90) days
(Words) (Numerals)

calendar days after settlement date and shall complete the development within
three hundred sixty-five 365 calendar days.
(Words) (Numerals)



Sign for Identification

06/21/99

(Date)

Frank B. Hanna, Sr. and/or Assigns
Title

Hanna Systems, Inc.

Company

PO Box 2638
1114 East Main Street

Address

Salisbury MD 21802

City, State, Zip

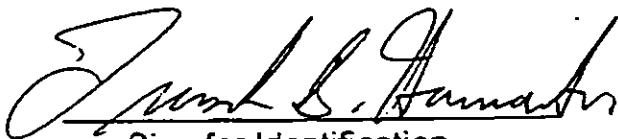
(410) 749-1472

Telephone

**** Enclosed herewith is a certified check in the amount of ten percent (10%) of the total bid price of one hundred thousand (\$100,000.00) Dollars, said check in the amount of ten thousand dollars \$ 10,000.00, is made payable to the City of Salisbury. This certified check is a deposit, which it is understood will be forfeited in the event the successful bidder does not complete the terms of the sale. This check shall be returned per instructions in the bidding documents should the bidder not be given the award.

NOTE:

Bidders choosing **OPTION B** must provide a minimum bid security of \$5,000.00.


Sign for Identification

Frank B. Hanna, Sr.
Name - Printed

PO Box 2638, 1114 East Main Street
Address

Proprietor
Title

Salisbury MD 21802
City, State, Zip

Frank B. Hanna, Sr. and/or Assigns
Company

(410) 749-1472
Telephone

FIRM NAME Frank B. Hanna, Sr. and/or Assigns

SIGNED BY Frank B. Hanna, Sr. IN PRESENCE OF Calvin H Andersen

Witness

ADDRESS PO Box 2638, 1114 East Main Street

TELEPHONE (410) 749-1472

CITY/STATE Salisbury MD 21802 FAX NO. (410) 749-7530

CO-PARTNERSHIP PRINCIPAL

NAME OF CO-PARTNERSHIP _____

ADDRESS _____

TELEPHONE _____

CITY/STATE _____ FAX NO. _____

SIGNED BY _____ IN PRESENCE OF _____
PARTNER

WITNESS

SIGNED BY _____ IN PRESENCE OF _____
PARTNER WITNESS

CORPORATE PRINCIPAL

NAME OF CORPORATION _____

ADDRESS _____

TELEPHONE _____

CITY/STATE _____ FAX NO. _____

SIGNED BY _____
President

(Affix Corporate Seal)

ATTEST _____
Corporate Secretary

Frank B. Hanna Sr.
Sign for Identification

I HEREBY AFFIRM THAT:

1. I am the Proprietor (title) and the duly authorized representative of the firm of Frank B. Hanna, Sr. and/or Assigns (name of corporation) whose address is PO Box 2638, 1114 East Main Street, Salisbury MD 21802 and that I possess the legal authority to make this affidavit on behalf of myself and the firm for which I am acting.

2. Except as described in paragraph 3 below, neither I nor the above firm, nor to the best of my knowledge any of any of its officers, directors or partners, or any of its employees directly involved in obtaining contracts with the Stat or any county, bi-county or multi-county agency, or subdivision of the State have been convicted of, or have pleaded nolo-contendere to a charge of, or have during the course of an official investigation or other proceedings admitted in writing or under oath acts or omissions which constitute bribery, attempted bribery, or conspiracy to bribe under the provisions of Article 27 of the Annotated Code of Maryland or under the laws of any state or the federal government (conduct prior to July 1, 1977 is not required to be reported).

3. (State "none" or, as appropriate, list any conviction, plea or admission described in paragraph 2 above, with the date, court, official or administrative body, the individuals involved and their position with the firm, and the sentence or disposition, if any.) _____

None

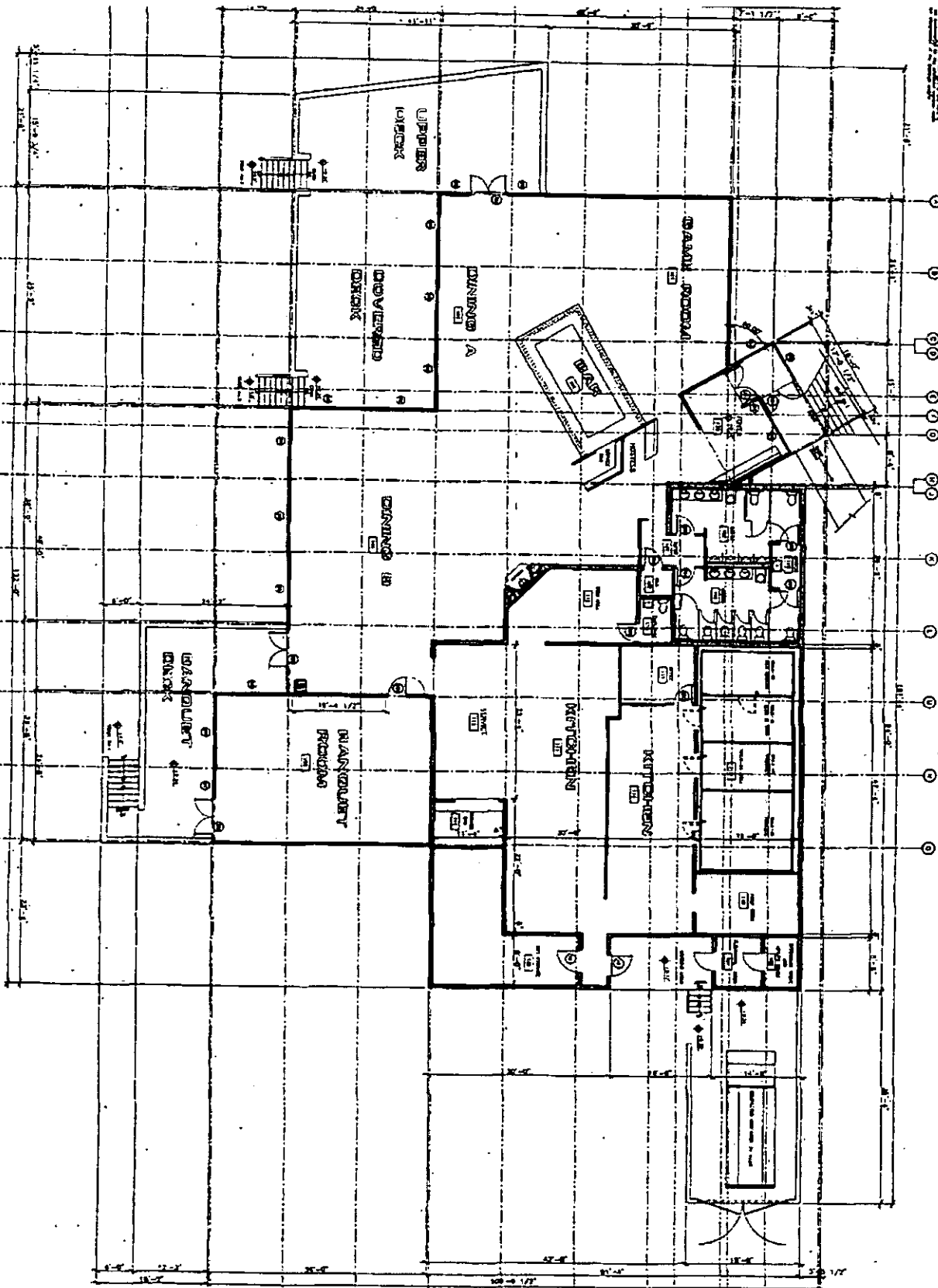
I acknowledge that this affidavit is to be furnished to the City of Salisbury. I acknowledge that, if the representations set forth in this affidavit are not true and correct, the City of Salisbury may terminate any contract awarded and take any other appropriate action. I further acknowledge that I am executing this affidavit in compliance with section 16D of Article 78A of the Annotated Code of Maryland, which provides that certain persons who have been convicted of or have admitted to bribery, attempted bribery or conspiracy to bribe may be disqualified, either by operation of law or after a hearing, from entering into contracts with the State or any of its agencies or subdivisions.

I do solemnly declare and affirm under the penalties of perjury that the contents of this affidavit are true and correct.

06/21/99

(Date)

Frank B. Hanna Sr.
(Signature)



MAIN BUILDING FLOOR PLAN

SCALE: 1/8" = 1'-0"

9821 06/05/96 06/05/96/00		ARCHITECTS planners interior designers and construction managers 1000 N. 1st Street Salisbury, Maryland		OWNER J.A. & J. Co. Salisbury, Maryland		Brew River Restaurant & Bar WEST MAIN STREET SALISBURY, MARYLAND		DATE 06/05/96	
1.0 A		MAIN BUILDING FLOOR PLAN		1/8" = 1'-0"		1/8" = 1'-0"		1/8" = 1'-0"	

S I T E P L A N

[illegible]

2010 RELEASE UNDER E.O. 14176

**Brew River
Restaurant & Bar**
WEST MAIN STREET
SALISBURY, MARYLAND

HICK

architects
planners
interior designers

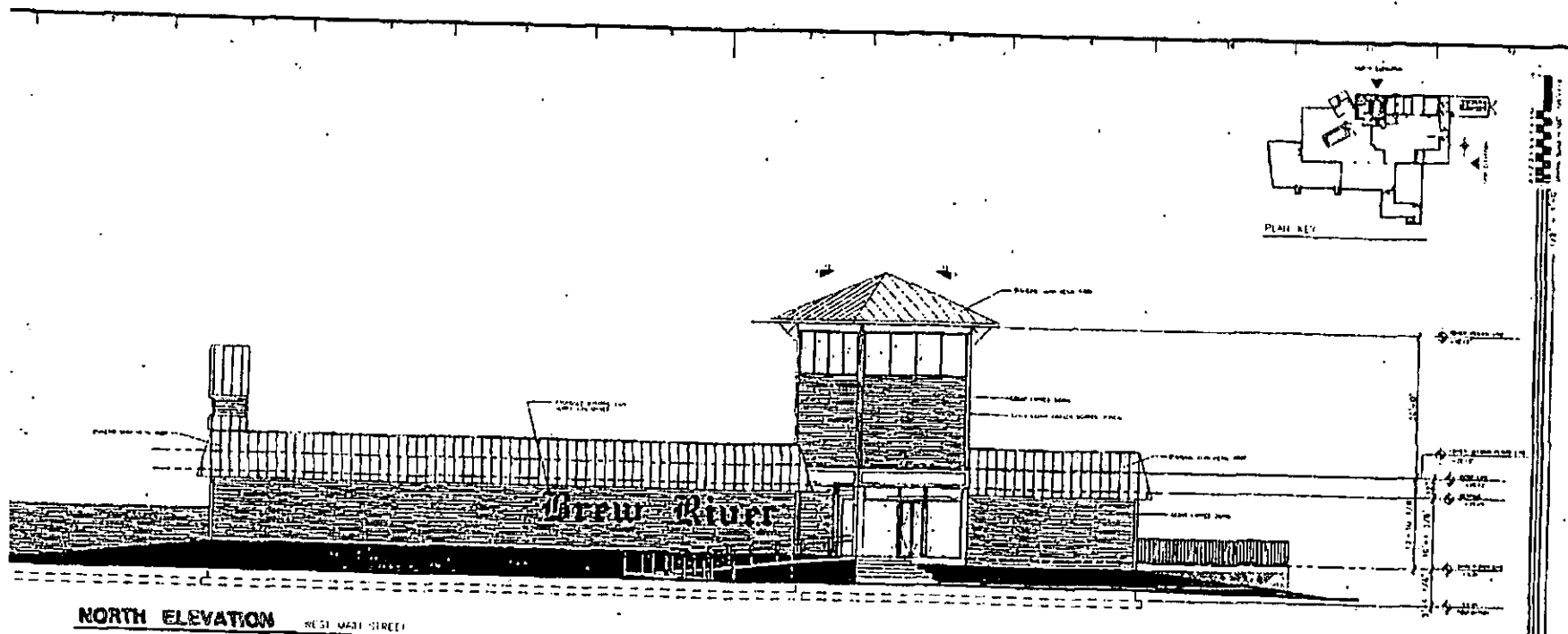
ERLY RIVER
SAUSBURY, MARYLAND

1/78
1/98

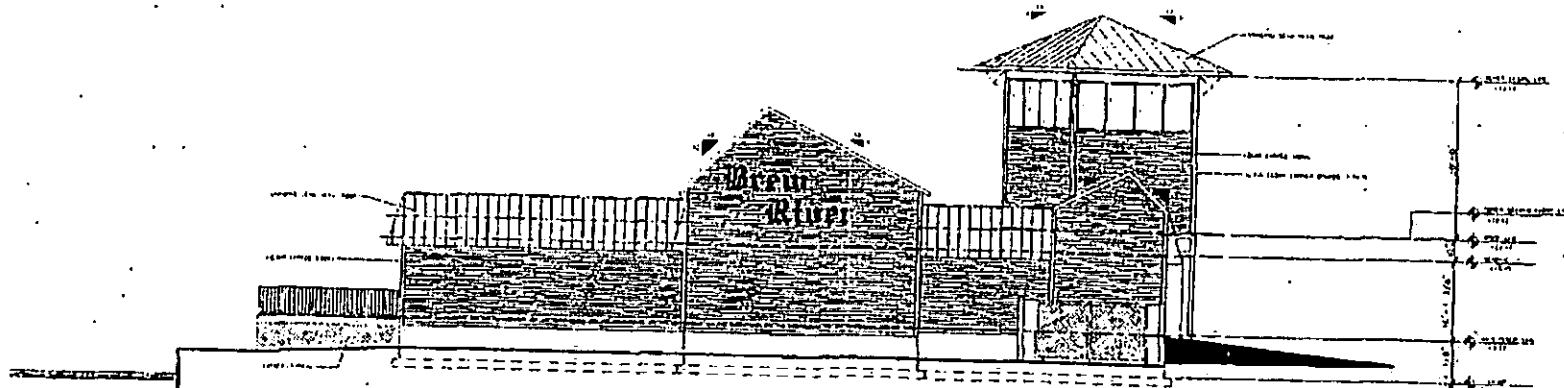
1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 838. 839. 840. 84

821
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NORTH ELEVATION WEST MAIN STREET



EAST ELEVATION

ELEVATIONS

Brew River
Restaurant & Bar
WEST MAIN STREET
SALISBURY, MARYLAND

FLANNERY
P.O. Box 353
Salisbury, Maryland
21870-0353
Tel: 410-728-1072
Fax: 410-728-1073

HOK

architects
planners
interior designers

120 WEST MAIN STREET
SALISBURY, MARYLAND
21870-0353
Tel: 410-728-1072
Fax: 410-728-1073

BREW RIVER
SALISBURY, MARYLAND

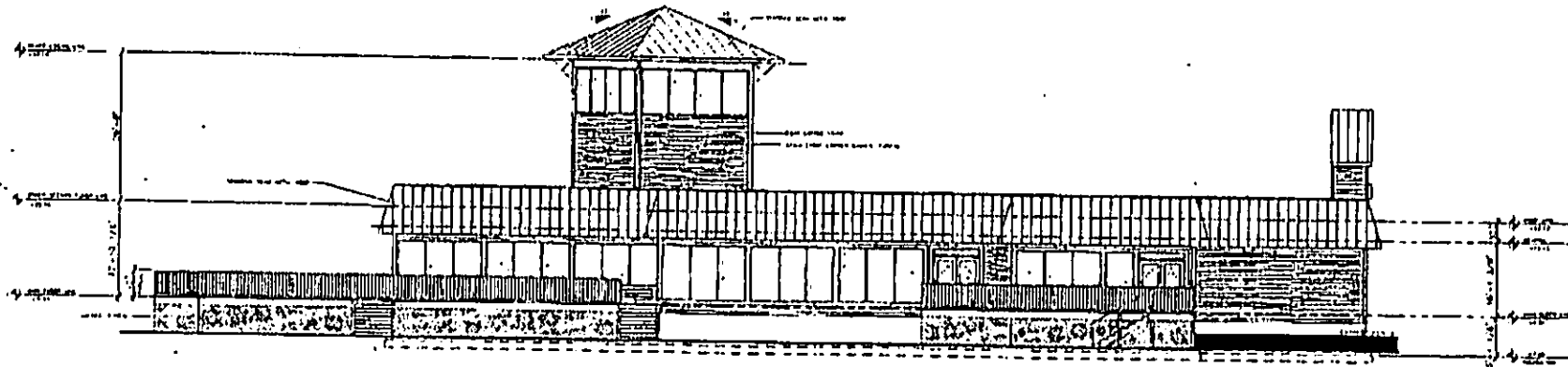
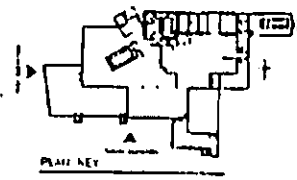
ELEVATIONS

1/25-1-0
07/25/92
07/08/96

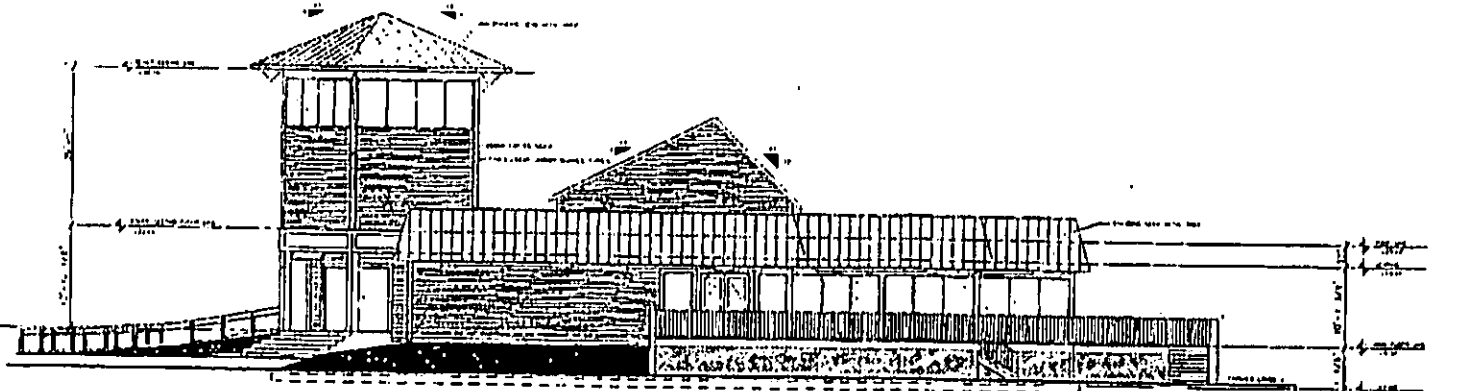
9821

A

3.1



SOUTH ELEVATION (ACCAVED RIVER)



WEST ELEVATION

ELEVATIONS

Brew River
Restaurant & Bar
 WEST MAIN STREET
 SALISBURY, MARYLAND

HYMAN & SONS
 P.O. Box 308
 Salisbury, Maryland
 21860
 (410) 461-1111
 (410) 461-1112



architects
 planners
 interior designers
 131 NORTH EIGHTH
 CHICAGO, ILL. 60614
 (312) 467-1111
 (312) 467-1112

BREW RIVER
SALISBURY, MARYLAND
ELEVATIONS

| | | | | | |
|--|--------------|---------------------|---------------|----------------|------------------------------------|
| DATE: 12/24/92 | BY: J. H. H. | SCALE: 1/8" = 1'-0" | PROJECT: 9821 | ARCHITECT: HOK | OWNER: BREW RIVER RESTAURANT & BAR |
| <div style="border: 1px solid black; padding: 5px; text-align: center;"> A
 3.0 </div> | | | | | |

Search Result for WICOMICO COUNTY

| View Map | | | View GroundRent Redemption | | | | View GroundRent Registration | | | |
|--|----------|---------------------------|---|------------------------|----------|---------------------------------------|------------------------------|------------------|--|-----------|
| Account Identifier: | | | District - 09 Account Number - 067612 | | | | | | | |
| Owner Information | | | | | | | | | | |
| Owner Name: | | | SALISBURY CITY OF | | | | Use: | | EXEMPT COMMERCIAL | |
| Mailing Address: | | | 125 N DIVISION ST
SALISBURY MD 21801-5030 | | | | Principal Residence: | | NO | |
| | | | | | | | Deed Reference: | | /01003/ 00820 | |
| Location & Structure Information | | | | | | | | | | |
| Premises Address: | | | 506 W MAIN ST
SALISBURY 21801-0000
Waterfront | | | | Legal Description: | | MARINA FAC 1.037AC
506 W MAIN ST
PLAT 11/352 | |
| Map: | Grid: | Parcel: | Sub District: | Subdvision: | Section: | Block: | Lot: | Assessment Year: | Plat No: | |
| 0106 | 0022 | 1100 | | 0000 | | | | 2015 | Plat Ref: | 0011/0352 |
| Special Tax Areas: | | | | Town: | | SALISBURY | | | | |
| | | | | Ad Valorem: | | | | | | |
| | | | | Tax Class: | | | | | | |
| Primary Structure Built | | Above Grade Enclosed Area | | Finished Basement Area | | Property Land Area | | County Use | | |
| 1988 | | 1512 | | | | 45,171 SF | | | | |
| Stories | Basement | Type | Exterior | Full/Half Bath | Garage | Last Major Renovation | | | | |
| | | OFFICE BUILDING | | | | | | | | |
| Value Information | | | | | | | | | | |
| | | | Base Value | Value As of 01/01/2015 | | Phase-In Assessments As of 07/01/2015 | | As of 07/01/2016 | | |
| Land: | | | 351,800 | 370,400 | | | | | | |
| Improvements | | | 477,800 | 511,600 | | | | | | |
| Total: | | | 829,600 | 882,000 | | 847,067 | | 864,533 | | |
| Preferential Land: | | | 0 | | | | | 0 | | |
| Transfer Information | | | | | | | | | | |
| Seller: | | | Date: | | | Price: | | | | |
| Type: | | | Deed1: | | | Deed2: | | | | |
| Seller: | | | Date: | | | Price: | | | | |
| Type: | | | Deed1: | | | Deed2: | | | | |
| Seller: | | | Date: | | | Price: | | | | |
| Type: | | | Deed1: | | | Deed2: | | | | |
| Exemption Information | | | | | | | | | | |
| Partial Exempt Assessments: | | Class | 07/01/2015 | | | | 07/01/2016 | | | |
| County: | | 610 | 847,067.00 | | | | 864,533.00 | | | |
| State: | | 610 | 847,067.00 | | | | 864,533.00 | | | |
| Municipal: | | 610 | 847,067.00 864,533.00 | | | | 847,067.00 864,533.00 | | | |
| Tax Exempt: | | Special Tax Recapture: | | | | | | | | |
| Exempt Class: | | NONE | | | | | | | | |
| Homestead Application Information | | | | | | | | | | |
| Homestead Application Status: No Application | | | | | | | | | | |

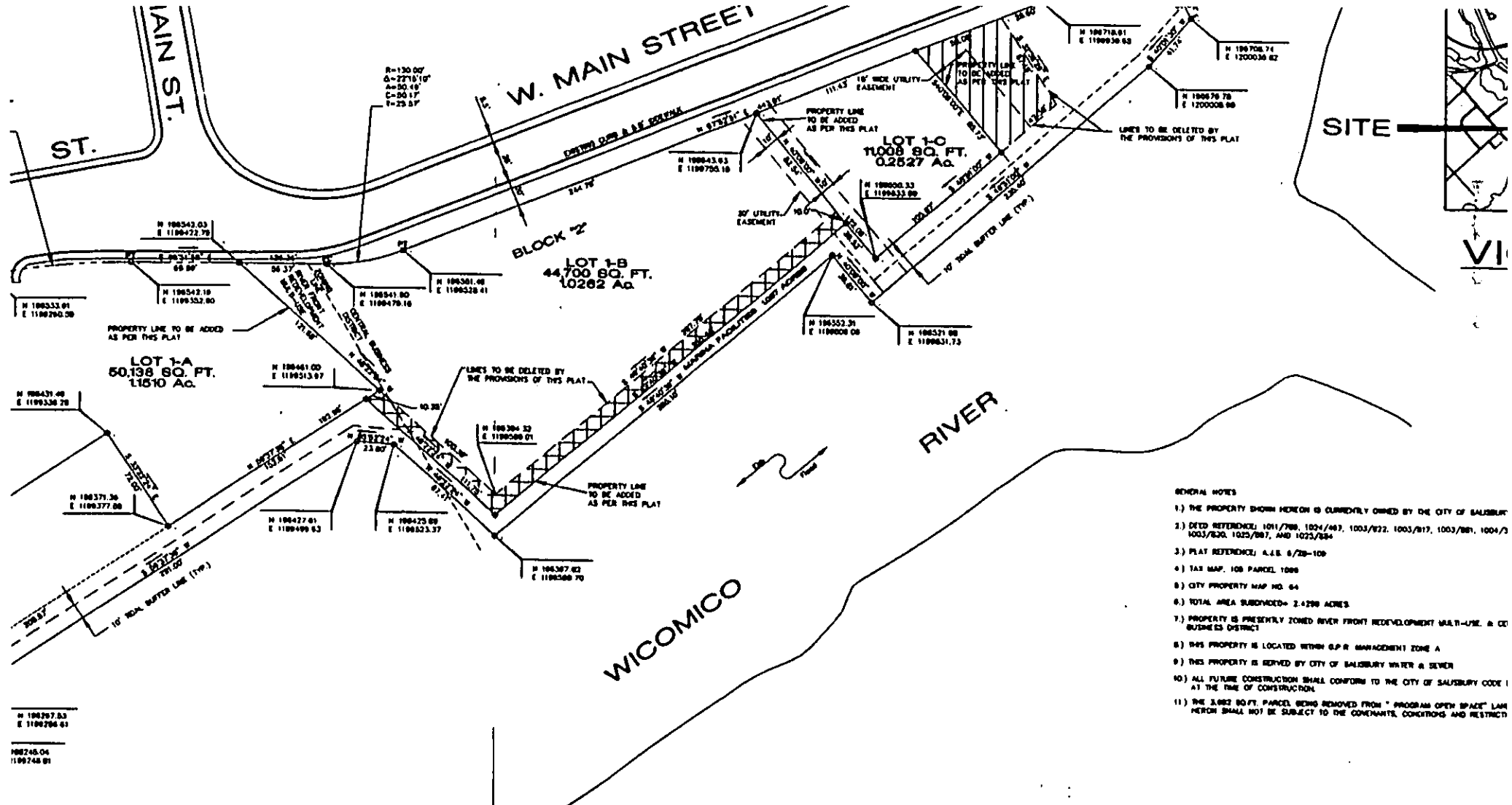
1. This screen allows you to search the Real Property database and display property records.
2. Click [here](#) for a glossary of terms.
3. Deleted accounts can only be selected by Property Account Identifier.

Search Result for WICOMICO COUNTY

| View Map | | View GroundRent Redemption | | View GroundRent Registration | |
|---|----------------------------------|---|-------------------------------|---|---|
| Account Identifier: | | District - 09 Account Number - 057919 | | | |
| Owner Information | | | | | |
| Owner Name: | | SALISBURY CITY OF | | Use: | EXEMPT |
| Mailing Address: | | GOVERNMENT OFFICE
BLDG
SALISBURY MD 21801 | | Principal Residence: | COMMERCIAL
NO |
| | | | | Deed Reference: | /01167/ 00114 |
| Location & Structure Information | | | | | |
| Premises Address: | | 650 FITZWATER ST
SALISBURY 21801-0000
Waterfront | | Legal Description: | 4.57 AC
650 FITZWATER ST
CITY OF SALIS |
| Map: | Grid: | Parcel: | Sub District: | Subdivision: | Section: Block: Lot: Assessment Year: Plat No: Plat Ref: |
| 0106 | 0022 | 1108 | | 0000 | 2015 |
| Special Tax Areas: | | Town: | | SALISBURY | |
| | | Ad Valorem: | | | |
| | | Tax Class: | | | |
| Primary Structure Built | Above Grade Enclosed Area | Finished Basement Area | Property Land Area | County Use | |
| | | | 4.5700 AC | | |
| Stories | Basement | Type | Exterior | Full/Half Bath | Garage Last Major Renovation |
| Value Information | | | | | |
| | | Base Value | Value As of 01/01/2015 | Phase-in Assessments As of 07/01/2015 As of 07/01/2016 | |
| Land: | | 868,300 | 914,000 | | |
| Improvements | | 0 | 0 | | |
| Total: | | 868,300 | 914,000 | 883,533 | 898,767 |
| Preferential Land: | | 0 | | | 0 |
| Transfer Information | | | | | |
| Seller: TILGHMAN, W B & CO | | Date: 12/20/1988 | | Price: \$1,415,000 | |
| Type: ARMS LENGTH IMPROVED | | Deed1: /01167/ 00114 | | Deed2: | |
| Seller: | | Date: | | Price: | |
| Type: | | Deed1: | | Deed2: | |
| Seller: | | Date: | | Price: | |
| Type: | | Deed1: | | Deed2: | |
| Exemption Information | | | | | |
| Partial Exempt Assessments: | Class | 07/01/2015 | | 07/01/2016 | |
| County: | 610 | 883,533.00 | | 898,767.00 | |
| State: | 610 | 883,533.00 | | 898,767.00 | |
| Municipal: | 610 | 883,533.00 898,767.00 | | 883,533.00 898,767.00 | |
| Tax Exempt: | | Special Tax Recapture: | | | |
| Exempt Class: | | NONE | | | |
| Homestead Application Information | | | | | |
| Homestead Application Status: No Application | | | | | |

1. This screen allows you to search the Real Property database and display property records.
2. Click [here](#) for a glossary of terms.





- DENOTES RAILROAD SPIKE SET
- DENOTES CONCRETE MONUMENT SET
- DENOTES 3,982 SQ.FT. AREA TO BE REMOVED FROM "PROGRAM OPEN SPACE" LAND
- DENOTES 3,982 SQ.FT. "PROGRAM OPEN SPACE" REPLACEMENT AREA

FLOOD CERTIFICATION
THIS PROPERTY IS SHOWN AS LYING ENTIRELY WITHIN THE 100 YEAR FLOOD PLAIN ZONE A1, ON FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP NO. 240000 60028 (PANEL 2 OF 4), DATED SEPT. 26, 1984, FOR THE CITY OF SALISBURY. 100 YEAR FLOOD ELEVATION = 8.00'.

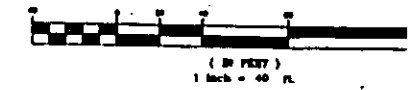
- GENERAL NOTES**
- 1) THE PROPERTY SHOWN HEREON IS CURRENTLY OWNED BY THE CITY OF SALISBURY
 - 2) DEED REFERENCE: 1011/788, 1004/467, 1003/822, 1003/817, 1003/881, 1004/3 1003/820, 1023/887, AND 1023/884
 - 3) PLAT REFERENCE: A.E. 6/28-100
 - 4) TAX MAP, 108 PARCEL 1088
 - 5) CITY PROPERTY MAP NO. 64
 - 6) TOTAL AREA SUBDIVIDED= 2.4299 ACRES
 - 7) PROPERTY IS PRESENTLY ZONED RIVER FRONT REDEVELOPMENT MULTI-USE, & CT BUSINESS DISTRICT
 - 8) THIS PROPERTY IS LOCATED WITHIN G.P.R. MANAGEMENT ZONE A
 - 9) THIS PROPERTY IS SERVED BY CITY OF SALISBURY WATER & SEWER
 - 10) ALL FUTURE CONSTRUCTION SHALL CONFORM TO THE CITY OF SALISBURY CODE I AT THE TIME OF CONSTRUCTION
 - 11) THE 3,982 SQ.FT. PARCEL BEING REMOVED FROM "PROGRAM OPEN SPACE" LAND HEREON SHALL NOT BE SUBJECT TO THE COVENANTS, CONDITIONS AND RESTRICTIONS

MINOR SUBDIVISION
OF LOT 1, BLOCK

SALISBURY M

CITY OF SALISBURY
SALISBURY ELECTION C
WICOMICO COUNTY, MA
JULY 12, 1999

GRAPHIC SCALE



We certify that the requirements of the Annotated Code of Maryland, Book Pr Section 10, Subsection C, as far as it applies to the subdivision of this land are

CITY OF SALISBURY, MARYLAND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

| | <u>Enterprise Funds</u> |
|--|-----------------------------|
| | <u>City Marina
Fund</u> |
| OPERATING REVENUES | |
| Charges for services | \$ 41,075 |
| TOTAL OPERATING REVENUES | <u>41,075</u> |
| OPERATING EXPENSES | |
| Salaries | 29,495 |
| Personnel benefits | 2,660 |
| Professional and skilled services | - |
| Supplies | 5,514 |
| Other expenses | 31,761 |
| TOTAL OPERATING EXPENSES | <u>69,430</u> |
| OPERATING (LOSS) INCOME BEFORE
DEPRECIATION | <u>(28,355)</u> |
| Depreciation | 19,307 |
| NET OPERATING LOSS | <u>(47,662)</u> |
| NONOPERATING REVENUES (EXPENSES) | |
| Transfers in | 22,914 |
| Interest income | 6 |
| Interest expense | - |
| TOTAL NONOPERATING REVENUES | <u>22,920</u> |
| CHANGE IN NET POSITION | <u>(24,742)</u> |
| NET POSITION, BEGINNING OF YEAR, RESTATED | <u>1,657,322</u> |
| NET POSITION, END OF YEAR | <u><u>\$ 1,632,580</u></u> |

City of Salisbury



MARYLAND

JACOB R. DAY
MAYOR

M. THOMAS STEVENSON, JR.
CITY ADMINISTRATOR

JULIA GLANZ
ASSISTANT CITY ADMINISTRATOR



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

ADDENDUM 1

CONTRACT NO. RFP 9-16
Disposition & Development of the
The Port of Salisbury Marina

DATE ISSUED: January 14, 2016
RESPONSE DUE: January 22, 2016 at 2:30 P.M. (local time)

This addendum is intended to correct, change, add, delete, or supplement the drawings, special conditions, and/or specifications, and is hereby made part of the bidding documents on which the General Contract will be based. Acknowledge receipt of this addendum by signing below and returning no later than January 22, 2016.

Pre-bid attendees:

| Name | Representing: | | Name | Representing: |
|-----------------|---------------------|--|-----------------|-------------------|
| Frank Hanna | Brew River | | Wes Hanna | Brew River |
| Ryan Lewis | Fisher Architecture | | Robert Lane | McCrone |
| Mayor Jacob Day | City of Salisbury | | Julia Glanz | City of Salisbury |
| Michael Moulds | City of Salisbury | | Jennifer Miller | City of Salisbury |
| Tom Tengman | City of Salisbury | | | |

1. **Question:** Will the City entertain a plan to relocate the pump station to another location?

Answer: Currently the new pump station will be located immediately behind (river side) the current pump station. A drawing of the new pump station location can be viewed on the City of Salisbury website: www.ci.salisbury.md.us Information Center, Bids & RFPS, RFP 09-16. The City will consider offers to relocate the new pump station to an alternative location within the vicinity of the existing site provided the existing gravity connection and force main connections can be made from the existing lines. Reengineering design costs would be assumed by the developer as well as any additional construction costs above what is currently budgeted for the project as designed.

2. **Question:** Is there a specific diagram that illustrates what portion of the marina is included in this RFP?

Answer: A color picture with parcels bordered with a yellow line can be viewed on the City of Salisbury website: www.ci.salisbury.md.us Information Center, Bids & RFPS, RFP 09-16.

3. **Question:** What is the expectation of the size of the boat house?

Answer: The City would expect a boat house of approximately 120' WX 80' L X 14' H.

4. **Question:** What is the current fuel situation at the marina?

Answer: The above ground fuel tank and pumps were replaced in 2011. The double walled storing tanks accommodate both diesel and gasoline (ethanol free) boats. Past history has shown the current size fuel tanks are sufficient for boater volume.

5. *Question:* Does the City have more information on the past grant payback requirements?

Answer: If sold, the Marina must remain open to the public.

Since 1985, the State has invested approximately \$1M in the Marina. If the requirement of public operation is met, grants received by the City of Salisbury which have exceeded their design life would not require reimbursement.

However, there is one (1) grant that has not exceeded its design life, two (2) grants that remain unexpended and one (1) grant that has been applied for, but not awarded yet:

(a). The 2011 fuel pump grant of \$99K has not completely exceeded its design life and will require reimbursement (based on design life depreciation) or the Buyer must guarantee that the existing fuel pumps remain intact, **maintained by the Buyer, operational and open to the public**. Once a course of action (sale or lease) is determined, the City will work with DNR to determine the amount of reimbursement required should the Buyer not wish to keep these pumps.

(b). The City received a 2016 grant in the amount of \$25K which remains unexpended. **If the property is sold, this grant would not be available for use by the Buyer. If the City retains ownership and leases the property, the grant funds would remain available to the original grantee (City) for the awarded purpose (Replace and upgrade utility pedestals).**

(c). The City received a 2014 grant in the amount of \$5K which remains unexpended. **If the property is sold, this grant would not be available for use by the Buyer. If the City retains ownership and leases the property, the grant funds would remain available to the original grantee (City) for the originally awarded purpose (Kayak and Rowing deck).**

(d). The City has applied for a 2017 grant in the amount of \$25K which has not been awarded yet. **If the property is sold, this grant would not be available for use by the Buyer. If the City retains ownership and leases the property, if the grant funds are awarded they would be available to the original grantee (City) for the originally awarded purpose.**

If a lease option for the Marina parcels is proposed and accepted by the City, DNR could potentially continue to provide grant funding with matching funds (contributed by the lessee, the City, or both). **The lease option would allow for the currently unexpended grants and pending grants to remain available to the original grantee (City).**

6. *Question:* Can a proposer bid on only one lot?

Answer: The RFP is written for the sale or lease of both lots combined. However, if a proposer has any exceptions to the requirements of the RFP they should list these in their response.

7. Due to the location of the existing Marina Fuel Tanks and the new Pump Station, the City may need to subdivide Parcel 1108. Any such subdivision will be determined during final negotiation of the Land Disposition Contract.

Sign for identification

Printed Name

Approved by:

Jennifer Miller

Jennifer Miller

Assistant Director of Internal Services, Procurement Division

City of Salisbury



MARYLAND

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DIRECTOR OF INTERNAL SERVICES

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ADDENDUM 2

CONTRACT NO. RFP 9-16
Disposition & Development of the
The Port of Salisbury Marina

DATE ISSUED: January 14, 2016
RESPONSE DUE: January 22, 2016 at 2:30 P.M. (local time)

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Grants: The City received a 2014 Recreational Trails Program grant in the amount of \$40,000 from the State Highway Administration for a Rowing and Kayak Waterway Access Project. These funds remain unexpended.

Sign for identification

Printed Name

Approved by:

Jennifer Miller

Jennifer Miller

Assistant Director of Internal Services, Procurement Division

EXHIBIT D

Map of Leased Parcel