

SALISBURY CITY COUNCIL WORK SESSION AGENDA

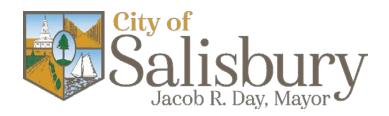
JANUARY 6, 2020 COUNCIL CHAMBERS GOVERNMENT OFFICE BUILDING

4:30 p.m. CLOSED SESSION- Motion to Convene in Closed Session to consult with counsel to obtain legal advice on a legal matter and before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, since public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process in accordance with the Annotated Code of Maryland §3-305(b)(7)(14).
Times are approximate
5:00 p.m. Ordinance to Accept Funds from Bless Your Children- Housing & Community Development (HCDD) Director Everett Howard
5:05 p.m. Free Library Project- HCDD Director Everett Howard

- 5:10 p.m. 130/132/144 East Main Street Soil MOU Resolution- Department of Infrastructure & Development (DID) Director Amanda Pollack
- 5:25 p.m. 130/132/144 East Main Street Parking Agreement- DID Director Amanda Pollack
- 5:35 p.m. 130/132/144 East Main Street Air Rights Easement- DID Director Amanda Pollack
- 5:50 p.m. 130/132/144 East Main Street Temporary Construction and Maintenance Easements-DID Director Amanda Pollack
- 6:05 p.m. 144 East Main Street Capacity Fee Waiver Resolution- DID Director Amanda Pollack
- 6:20 p.m. Adjournment

Times shown are approximate. Council reserves the right to adjust the agenda as circumstances warrant.

The Council reserves the right to convene in Closed Session as permitted under the Annotated Code of Maryland 3-305(b).



MEMORANDUM

To: Andy Kitzrow

From: Everett Howard, Director of HCDD

Date: December 10, 2019

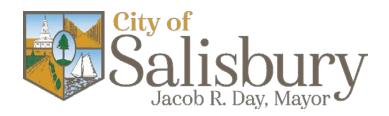
Re: Bless Our Children Donation Acceptance

Attached please find an ordinance accepting a \$2,000 monetary donation from the Bless Our Children campaign in support of the Santa's Workshop program sponsored by the Housing and Community Development Department.

Santa's Workshop is a program where toys are distributed to children that might otherwise not have an opportunity to receive gifts and feel a part of the holidays.

Unless you have any questions please forward this for Council's consideration.

| 1 | ORDINANCE NO |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2 3 4 5 6 | AN ORDINANCE OF THE CITY OF SALISBURY APPROVING A BUDGET ADMENDMENT OF THE CITY'S SPECIAL REVENUE FUND BUDGET AND TO ACCEPT AND APPROPRIATE FUNDS FROM THE BLESS OUR CHILDREN CAMPAIGN FOR THE SANTA'S WORKSHOP PROGRAM. |
| 7 8 | WHEREAS, the City of Salisbury's Housing and Community Development Department hosts a Santa's Workshop program every year; and |
| 9 10 11 12 | WHEREAS, Bless Our Children wishes to donate funds to help sponsor this annual program; and |
| 13 14 15 | WHEREAS, the donation of funds will be used to purchase gifts, refreshments and equipment used to run the program; and |
| 16 17 18 | WHEREAS, these donations are to be used for the general public welfare by purchasing toys to provide to needy children; and |
| 19 20 21 | WHEREAS, appropriations must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury. |
| 22 23 24 25 | NOW, THEREFORE, BE IT ORDAINED THAT THE City of Salisbury, Maryland does hereby accept the donation of funds of Two Thousand Dollars (\$2,000.00) from Bless Our Children for the Santa's Workshop program. |
| 26 27 28 | BE IT FURTHER ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Special Revenue Fund be and hereby is amended as follows: |
| 29 30 31 | Increase 10700–456423–81001 Contribution Revenue by \$2,000 Increase 10700–546006–81001 Operating Expense by \$2,000 |
| 32 33 34 | BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage. |
| 35 36 37 38 39 | THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on the 13 th day of January 2020, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 27 th day of January, 2020. |
| 40 41 42 43 44 | ATTEST: |
| 45 46 47 | Kimberly R. Nichols, City Clerk John R. Heath, President Salisbury City Council |
| 48 49 50 51 | APPROVED BY ME THIS day of, 2020. |
| 52 53 54 | Jacob R. Day, Mayor |



MEMORANDUM

To: Andy Kitzrow

From: Everett Howard, Director of HCDD

Date: December 31, 2019

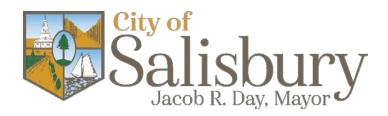
Re: Free Library Stands Donation Acceptance

Attached please find a resolution accepting a donation of Free Library Stands valued at \$7,500 from Peninsula Roofing Company Inc. in support of the City's Free Library Project sponsored by the Housing and Community Development Department.

The Free Library Project is a program where books will be distributed to neighborhood children and residents of the City of Salisbury by means of Free Library Stands to encourage reading, improve literacy skills, and enrich the lives of those who participate in reading activities;

Unless you have any questions please forward this for Council's consideration.

| 1 2 | RESOLUTION NO | | | |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|
| 3 4 5 6 7 | A RESOLUTION OF THE CITY OF SALISBURY ACCEPTING THE DONATION OF FREE LIBRARY STANDS FROM SEAN FAHEY OF PENINSULA ROOFING COMPANY FOR THE CITY OF SALISBURY IN SUPPORT OF A FREE CITY LIBRARY PROJECT. | | | |
| 8 9 | WHEREAS, the City of Salisbury's Housing and Community Development Department is seeking to establish and maintain free library stands throughout the City of Salisbury: and | | | |
| 10 11 12 13 | WHEREAS, Peninsula Roofing Company Inc. wishes to construct and donate metal fabricated library stands to help support this project; and | | | |
| 14 15 16 | WHEREAS, the donation of the library stands will be used to facilitate the distribution of books to neighborhood children and residents in the City of Salisbury; and | | | |
| 17 18 19 | WHEREAS, this project seeks to encourage reading, improve literacy skills, and enrich the lives of those who participate in reading activities. | | | |
| 20 21 22 23 | NOW, THEREFORE BE IT RESOLVED that the City of Salisbury, Maryland does hereby accept the donation of Free Library Stands valued at approximately Seven Thousand Five Hundred Dollars (\$7,500.00) from Sean Fahey of Peninsula Roofing Company Inc. for the City's Free Library Project. | | | |
| 2425262728 | THE ABOVE RESOLUTION was introduced and duly passed at the regular meeting of the Council of the City of Salisbury held on this 13th day of January 2020, and is to become effective immediately upon adoption. | | | |
| 29 30 31 32 | ATTEST: | | | |
| 33 34 35 36 | Kimberly R. Nichols, City Clerk John R. Heath, President Salisbury City Council | | | |
| 37 38 39 40 | APPROVED BY ME THIS day of, 2020. | | | |
| 41 42 43 44 45 | Jacob R. Day, Mayor | | | |



To: Julia Glanz, City Administrator

From: Amanda H. Pollack, P.E., Director of Infrastructure and Development

Date: December 5, 2019

Re: Resolution – First Move Properties MOU for soils



Attached is a letter from First Move Properties, LLC dated November 5, 2019 requesting to use excess soil for redevelopment of a property. Attached is the Memorandum of Understanding between the City and First Move Properties, LLC, the developers of 130, 132 and 144 East Main Street. The MOU is for the City to provide excess soil to be used at the proposed development. A soil stockpile was created from the construction at the Wastewater Treatment Plant. The soil is not needed at the WWTP. The soil would provide benefit to the development. Since the City seeks to encourage development and redevelopment in the Central Business District, we recommended providing excess fill to First Move Properties, LLC per the terms of the MOU.

The soil stockpile may also be used by the City for our own purposes. Any soil remaining could be offered to other developers and projects as appropriate.

Unless you or the Mayor has further questions, please forward a copy of this memo, Resolution and MOU to the City Council.

FIRST MOVE PROPERTIES, LLC

P.O. Box 4365 Salisbury, MD 21803

November 5, 2019

City of Salisbury, Maryland
Department of Infrastructure & Development
Attn: Amanda H. Pollack, P.E., Director (apollack@salisbury.md)
125 N. Division Street, Room 202
Salisbury, Maryland 21801

Re: First Move Properties, LLC's Request for Soil;
Redevelopment of 144 E. Main Street, Salisbury, Maryland 21801 (Map 0107, Grid 0015, Parcel 858 and 878), 130 E. Main Street, Salisbury, Maryland 21801 (Map 0107, Grid 0015, Parcel 0855), and 132 E. Main Street, Salisbury, Maryland 21801 (Map 0107, Grid 0015, Parcel 0856). Referred to collectively as the "Property"

Dear Ms. Pollack:

On behalf of First Move Properties, LLC ("First Move"), please accept this letter as First Move's formal request to the City of Salisbury for excess soil located at the Wastewater Treatment Plant for First Move's redevelopment the Property. First Move will provide all necessary equipment to load and transport the soil and will exclusively use the material at the Property.

First Move proposes to begin pickup of the soil no later than June 1, 2020 and complete the transport no later than December 31, 2020 and expects to receive a Certificate of Occupancy for the redevelopment of the Property by August 15, 2021.

During the transportation process First Move representatives will check-in each day with city personnel at the Wastewater Treatment Plant and will record each load removed to ensure no more than 3,200 tons of soil is transported to the Property.

If City staff has any questions or needs additional information regarding the matters addressed in this correspondence, please do not hesitate to contact me. Thank you for your time and consideration of this request.

Sincerely,

Nicholas Simpson,

First Move Properties, LLC

| 1 | | RESOLUTIO | ON No | |
|---------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|--|
| 2 3 4 5 6 7 8 | MAYOR TO ENTER INTO AN AGALLOW THE USE OF SOIL LOCA | REEMENT W ATED AT TH ENT OF 130 | BURY, MARYLAND AUTHORIZING THE ITH FIRST MOVE PROPERTIES, LLC TO IE CITY'S WASTEWATER TREATMENT EAST MAIN STREET, 132 EAST MAIN | |
| 9 10 | WHEREAS, the City seeks to Business District, the Riverfront Rede | | evelopment and redevelopment in the Central ea and the Enterprise Zone; and | |
| 11 12 13 14 | | WHEREAS, 130 East Main Street, 132 East Main Street and 144 East Main Street are located in the Central Business District; and | | |
| 15 16 17 | WHEREAS, the purpose of this of these parcels; and | s agreement is | to share resources to assist in the developmen | |
| 18 19 | WHEREAS, the City has exce | ess soil stockpi | led at the Wastewater Treatment Plant; and | |
| 20 21 22 | | | e attached Memorandum of Understanding to have access to the City's stockpiled soil. | |
| 23 24 25 | | ne Mayor is au | BY THE CITY COUNCIL OF THE CITY OF athorized to sign and enter into the attached operties, LLC. | |
| 26 27 28 29 | | | neeting of the Council of the City of Salisbury me effective immediately upon adoption. | |
| 30 31 32 33 | ATTEST: | | | |
| 34 35 36 | Kimberly R. Nichols, City Clerk | | John R. Heath, President Salisbury City Council | |
| 37 38 | APPROVED BY ME THIS: | | | |
| 39 40 | day of | , 2020 | | |
| 41 42 43 | Jacob R. Day, Mayor | | | |

AGREEMENT

AN AGREEMENT BETWEEN THE "PARTIES"; FIRST MOVE PROPERTIES, LLC, "DEVELOPER", AND THE CITY OF SALISBURY, "CITY";

WHEREAS, CITY seeks to encourage development and redevelopment in the Central Business District, the Riverfront Redevelopment Area and the Enterprise Zone; and

WHEREAS, to support the redevelopment of said areas, CITY has made available soil located at the Wastewater Treatment Plant at no charge to be used exclusively at the property described herein as 130 East Main Street, 132 East Main Street and 144 East Main Street in Salisbury, Maryland.

NOW, THEREFORE, DEVELOPER agrees to all of the provisions set forth herein for use of the soil.

DEVELOPER will load on site, and transport the soil to be used exclusively at the property described herein.

DEVELOPER will utilize his own equipment to load and transport the soil.

DEVELOPER may leave equipment at the WWTP at its own risk.

DEVELOPER may access the soil stockpile at the WWTP between the hours of 8 am and 3 pm on weekdays only.

DEVELOPER will adhere to all regulations governing sediment and erosion control measures.

DEVELOPER will begin soil pickup no later than June 1, 2020, will check-in each day with City personnel at the gate, and will record each load removed and the amount of soil removed.

DEVELOPER will complete soil transport and commence site work no later than December 31, 2020.

DEVELOPER will obtain a certificate of occupancy no later than August 15, 2021.

Failure to meet the prescribed timeline may result in a charge for the soil at a cost of \$65 per square yard, payable to the City of Salisbury no later than 30 days after missing any one or more of the deadlines.

DEVELOPER takes and accepts all soil "AS IS." CITY makes no warranty, guaranty or representation of any kind, expressed or implied, as to the merchantability or fitness for any purpose of the soil provided, including any environmental representations or guarantees of any kind that the soil is adequate for DEVELOPER'S needs. DEVELOPER is not entitled to any payment for any losses or damages tied in any way to the soil.

DEVELOPER shall indemnify, defend and save harmless CITY and its officers, employees and agents 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

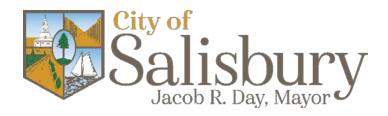
connected with any injury to any person or damage to any property or any loss to CITY or third parties occasioned in any way with the soil, including by hazardous substances originating or tied to the soil or its use by DEVELOPER. This indemnity specifically includes the obligation of DEVELOPER to perform 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. DEVELOPER shall perform all such work in its own name in accordance with applicable law, as herein defined.

The PARTIES may terminate this agreement at any time by providing written notice of said termination.

If terminated by DEVELOPER, DEVELOPER will pay City for all soils removed.

NOW, THEREFORE, BE IT RESOLVED that the PARTIES agree to the above provisions of Memorandum of Understanding.

| ATTEST: | | | |
|--------------|----------|---------------------------|----------|
| Developer | | City of Salisbury | |
| Nick Simpson | Date | Jacob R. Day Mayor | Date |



To: Julia Glanz, City Administrator

From: Amanda Pollack, P.E., Director of Infrastructure and Development

Date: December 17, 2019

Re: Resolution – 130/132/144 East Main Street Parking Agreement

First Move Properties, LLC, the developer of 130/132/144 East Main Street, is seeking an Agreement associated with parking garage permits for their properties. The request is to reserve two hundred fifty-six (256) municipal parking permits in the parking garage beginning on July 1, 2021. The parking permits will be distributed to the residential tenants of the development. The Ross Building (130 and 132 East Main Street) is designed for fifty-nine (59) residential apartments which will provide housing for a maximum of one hundred fifty-six (156) tenants. The Chamber Building (144 East Main Street) is designed for twenty-five (25) residential apartments, which will provide housing for a maximum of one hundred (100) tenants.

The Field Operations Department provided the following information about the garage and current capacity. The parking garage has 703 spaces. There are currently 441 permits issued in the garage, therefore there are 262 unpermitted spaces. On average, there are currently 250 open spaces on a typical weekday. The Circuit Court validates 600 – 800 parking tickets in the garage each month. During large events like the National Folk Festival, the permit holders are not guaranteed parking availability. With upcoming development that is projected for 2021 and beyond, Field Ops anticipates issuing +/-74 permits in the garage from Lot 16 and +/-200 permits from Lot 1. However, Lot 1 will offset some parking needs onsite.

Attached is a Resolution to authorize the Mayor to enter into the Agreement with First Move Properties, LLC. Unless you or the Mayor has further questions, please forward a copy of this memo, the Agreement and Resolution to the City Council.

DEVELOPER'S AGREEMENT

| THIS DEVELOPER'S AGREEMENT ("Agreement"), is dated this day of | 2020, |
|------------------------------------------------------------------------------------------------------------|-------------------|
| by and between the City of Salisbury, Maryland, a municipal corporation of the State of Maryland (the "Ci | ty "), and |
| First Move Properties, LLC, a Maryland limited liability company ("First Move") (the City and First Move") | Move are |
| hereinafter referred to collectively as the "Parties"). | |

Recitals

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as "61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY", consisting of 61,979 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 881**");

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as "L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY", consisting of 18,151 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 880**") (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the "**City Property**");

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/square feet of floor space, used and maintained by the City as a parking garage (the "**Downtown Parking Garage**") for the purpose of providing parking to the general public at a fee, subject to applicable local law and regulations;

WHEREAS, the Downtown Parking Garage contains a total of Six Hundred Eighty (680) parking spots;

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as "L-40X110 132-134 E MAIN ST CITY OF SALISBURY", and further being in all respects the same property conveyed by George H. White and Deborah W. Poole unto First Move, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (said real property is hereinafter referred to as "132 E. Main");

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, and being described as "3,300 SQFT 130A-130 E. MAIN ST CITY OF SALISBURY", and further being in all respects the same property conveyed by Livingston Holdings, LLC unto First Move, by Deed dated February 6, 2019 and recorded among the Land Records of Wicomico County, Maryland in Liber 4430, folio 483 (said real property is hereinafter referred to as "130 E. Main") (132 E. Main and 130 E. Main are hereinafter referred to collectively as the "E. Main Properties")

WHEREAS, pursuant to the terms and conditions set forth in that certain Commercial Sales Contract, dated September 20, 2019 (the "Contract of Sale"), by and between First Move and Salisbury Area Chamber of Commerce, Inc. ("SACC"), First Move has agreed to purchase from SACC all that certain real property having a premises address of 144 E. Main Street, Salisbury, Maryland 21801, more particularly identified by the Maryland Department of Assessment and Taxation Records as Map 0107, Parcel 0858 (Maryland Tax ID# 05-022673) (said real property is hereinafter referred to as "144 E. Main"), and all that certain real property having a premises address of 119 E. Market Street, Salisbury, Maryland 21801, more particularly identified by the Maryland Department of Assessment and Taxation Records as Map 0107, Parcel 0878 (Maryland Tax ID# 05-022703) (said real property is hereinafter referred to as "119 E. Market") (144 E. Main and 119 E. Market are hereinafter referred to collectively as the "Chamber Property");

WHEREAS, First Move plans to redevelop the E. Main Properties by constructing a twelve-story, approximately one hundred sixty-five feet (165'+/-) tall, structure thereon, which, when completed, will consist of commercial retail spaces on the first floor, fifty-nine (59) luxury-style apartments on the second through eleventh floors, and an event space on the twelfth floor (the said twelve-story structure First Move plans to construct at the E. Main Properties is hereinafter referred to as the "**Ross Building**");

WHEREAS, upon its purchase of the Chamber Property, First Move plans to redevelop the Chamber Property by constructing a five-story structure thereon, which, when complete, will consist of twenty-five (25), four-person luxury-style apartments (the "Chamber Building") (the Ross Building and the Chamber Building are hereinafter referred to collectively as the "FMP Project");

WHEREAS, the fifty-nine (59) residential apartments within the Ross Building are designed to provide housing for a maximum of one hundred fifty-six (156) tenants, and, the twenty-five (25) residential apartments within the Chamber Building are designed to provide housing for a maximum of one hundred (100) tenants, thus, when complete, the FMP Project is intended to provide luxury-style apartment housing for a maximum of two hundred fifty-six residential tenants (residential tenants of the FMP Project are hereinafter referred to individually as a "FMP Tenant" and collectively as the "FMP Tenants");

WHEREAS, the Parties acknowledge and agree the FMP Project will have a material impact on the revitalization of Downtown Salisbury by: (i) significantly increasing the housing inventory available within Downtown Salisbury; and, (ii) directly linking Salisbury University students to the Downtown Salisbury area;

WHEREAS, the Parties further acknowledge and agree the long-term viability of the FMP Project is contingent upon adequate public parking being reserved for, and otherwise made available to, the FMP Tenants;

WHEREAS, in order to provide adequate public parking for the FMP Tenants, First Move desires to reserve, and otherwise make available, a maximum of two hundred fifty-six (256) parking spots located within the Downtown Parking Garage for use by the FMP Tenants;

WHEREAS, the Parties acknowledge that, as of the date and year first above written, the Downtown Parking Garage is not used to its full capacity and there are more than two hundred fifty-six (256) parking spots to make available for use by the FMP Tenants;

WHEREAS, in consideration of the foregoing, the City agrees to reserve, on an annual basis, no less than two hundred fifty-six (256) municipal parking permits authorizing the FMP Tenants to park within the Downtown Parking Garage, which said municipal parking permits shall be purchased annually by First Move from the City, on behalf of the FMP Tenants, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

- 1. <u>Term.</u> The term of this Agreement shall commence on the date and year first above written and shall continue through and until June 30, 2031 (the "**Initial Term**"). The term of this Agreement shall automatically renew for successive terms of one (1) year (each such additional term of one (1) year is hereinafter referred to as a "**Renewal Term**"), unless First Move provides the City written notice, at least one hundred eighty (180) days prior to the end of the Initial Term or any Renewal Term, as the case may be, specifying First Move's election to terminate this Agreement at the end of the Initial Term or such applicable Renewal Term (as used in this Agreement, the word "**Term**" shall be deemed to include, where appropriate, the Initial Term and all Renewal Terms (if any)). In the absence of such written notice from First Move, the Initial Term or such applicable Renewal Term, as the case may be, shall automatically renew for an additional one (1) year term as aforesaid upon the same terms and conditions set forth herein.
- 2. Reservation of Parking Spaces. Beginning on July 1, 2021 and continuing for the duration of the Term, the City shall reserve no less than two hundred fifty-six (256) municipal parking permits, authorizing the holder thereof to use the Downtown Parking Garage for public parking, for purchase by First Move on behalf of the FMP Tenants in accordance with the provisions of Section 3. (Any and all municipal parking permits purchased by First Move for use by the FMP Tenants as contemplated by this Agreement are hereinafter referred to as the "Parking Garage Permits").
- **3.** Purchase of the Parking Garage Permits. Beginning on September 1, 2021, and on or before September 1st of each Fiscal Year thereafter during the Term, First Move shall purchase such amount of Parking Garage Permits as First Move deems necessary and appropriate, in its discretion, for the operation and management of the FMP Project, including the provision of adequate public parking for the FMP Tenants residing at the FMP Project from time to time (for purposes of this Agreement the term "Fiscal Year" shall mean the period of July 1 June 30). First Move

expressly acknowledges and agrees the City shall have no obligation whatsoever to reserve more than two hundred fifty-six (256) Parking Garage Permits for purchase by First Move in any Fiscal Year during the Term of this Agreement. In the event First Move purchases less than two hundred fifty-six (256) Parking Garage Permits for use in a Fiscal Year, First Move hereby expressly waives and releases the City from and against any and all claims First Move has or may have with respect to any Parking Garage Permits reserved for purchase hereunder which are not purchased by First Move for use during such Fiscal Year.

- **4.** Purchase Price of Parking Garage Permits. The purchase price for each of the two hundred fifty-six (256) Parking Garage Permits reserved for purchase by First Move hereunder shall be in that amount determined by the City in connection with the annual municipal budget adopted by the City Council and approved by the Mayor for each Fiscal Year.
- 5. Easements for Development and Construction of the FMP Project. In consideration of the mutual covenants and obligations of the Parties contained herein, First Move and the City shall each execute, simultaneously herewith: (a) that certain Temporary Construction and Perpetual Maintenance Easement, by and between the Parties, in the form attached hereto and incorporated herein as *Exhibit A*; and (b) that certain Deed of Easement, by and between the Parties, in the form attached hereto and incorporated herein as *Exhibit B*.

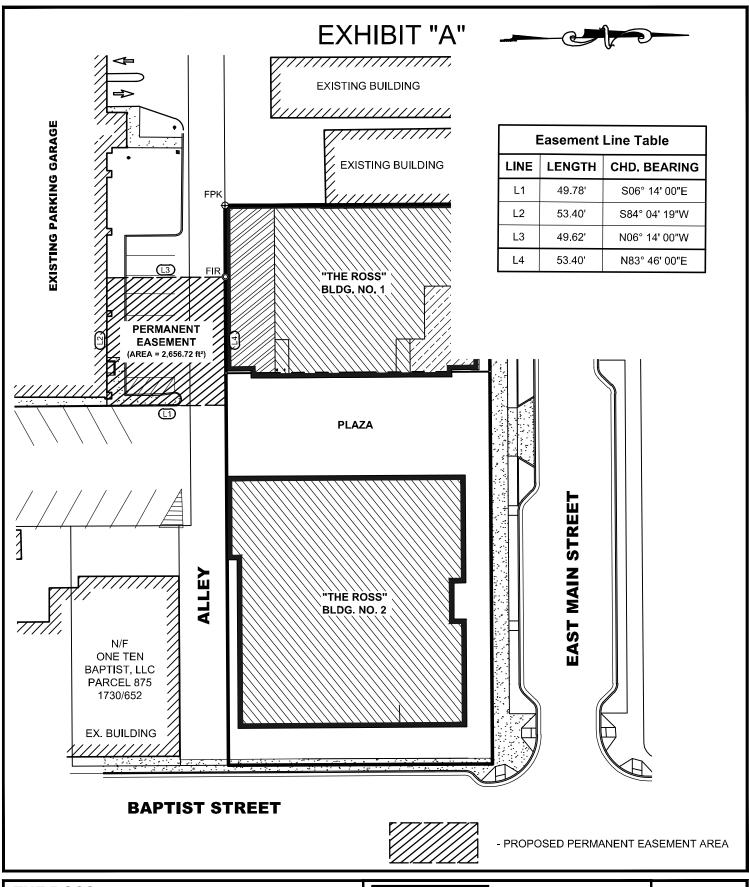
6. <u>Miscellaneous</u>.

- (a) <u>Authority</u>. Each party represents and warrants to the other party that: (i) it has the full right, power and authority to execute this Agreement; (ii) the execution and delivery of this Agreement and the performance of its obligations hereunder are not prohibited by or in breach of, and the provisions hereof do not conflict with, any other agreement, mortgage, contract or other instrument or document to which it is a party or by which it is otherwise bound; and, (iii) there are no legal requirements imposed upon it which prohibit or limit the execution and delivery of this Agreement and the performance of its obligations hereunder.
- **(b)** Entire Agreement. This Agreement, and all exhibits attached hereto, constitutes the entire agreement and understanding of the Parties with respect to the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Agreement are merged herein and are superseded and canceled by this Agreement.
- (c) <u>Waiver Amendments</u>. Any of the terms or conditions of this Agreement may be waived but only in writing by the party which is entitled to the benefit thereof, and this Agreement may be amended or modified in whole or in part only by an agreement in writing executed by all of the Parties.
- **(d)** Binding Nature of Agreement. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, personal representatives, successors and permitted assigns. First Move may assign this Agreement and all its rights hereunder to any successor(s)-in-interest of First Move with respect to its ownership of, or any of its rights in and to, the FMP Project or any part or portion thereof.
- **(e)** <u>Severability</u>. The invalidity or unenforceability of any provision of this Agreement shall not affect or otherwise limit the validity and enforceability of the other provisions hereof.
- (f) <u>Construction</u>. This Agreement and all of the terms and conditions set forth herein shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's agent or attorney drafted all or any part of this Agreement. Section headings are for convenience of reference only and shall not limit or otherwise affect any of the provisions of this Agreement. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural.
- **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland, without regard to its conflict of laws principles. The Parties hereto acting for themselves and for their respective successors and assigns, without regard to domicile, citizenship or residence, hereby expressly and irrevocably consent to and subject themselves to the jurisdiction of the Maryland courts and to venue in Wicomico County, Maryland with respect to any matter arising under, from or in connection with this Agreement.

- (h) <u>Waiver of Jury Trial</u>. The Parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counter-claim brought by a party hereto against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of the Parties to one another, and/or any claim, injury or damage arising from or consequent upon this Agreement.
- (i) <u>Recitals</u>. The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Agreement.
- **(j)** Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Developer's Agreement as of the day and year first above written.

| THE "CITY": | |
|------------------------------|-------|
| City of Salisbury, Maryland | |
| | |
| By:(S Jacob R. Day, Mayor | SEAL) |
| "FIRST MOVE": | |
| First Move Properties, LLC | |
| | |
| • | SEAL) |
| | By: |



THE ROSS PERPETUAL MAINTENANCE EASEMENT **144 EAST MAIN STREET CITY OF SALISBURY** WICOMICO COUNTY, MARYLAND

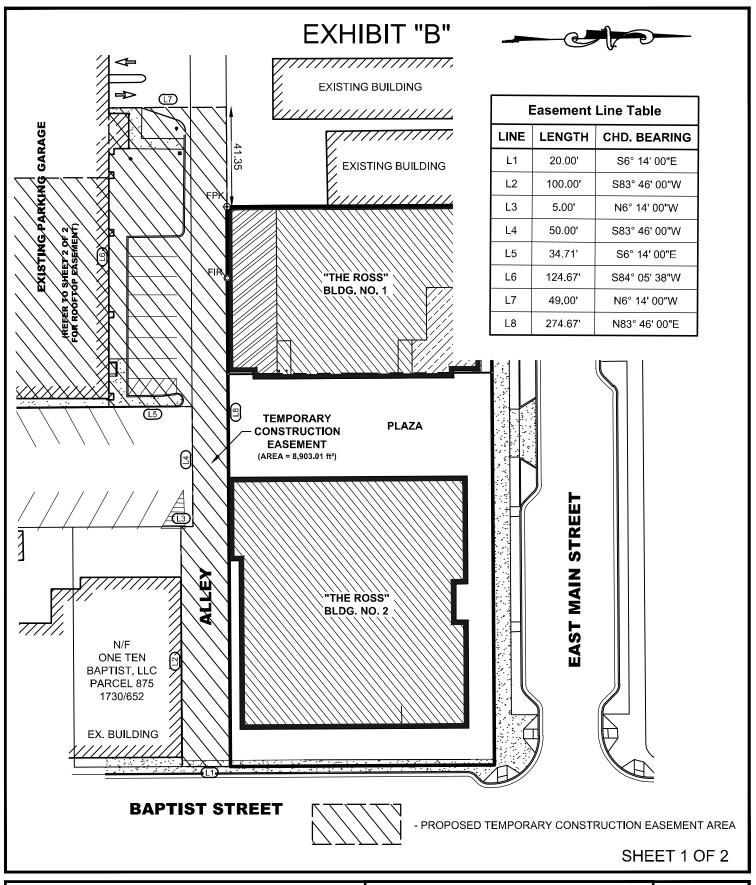


ARCHITECTURE ENGINEERING

Salisbury, DE

312 West Main Street Salisbury, MD 21801 Ph. 410.546.9100 Fax 410.546.2824

BMG: **2018010.00** SCALE: 1" = 40' DATE: 12/16/2019 DRAWN BY : E.H.H.



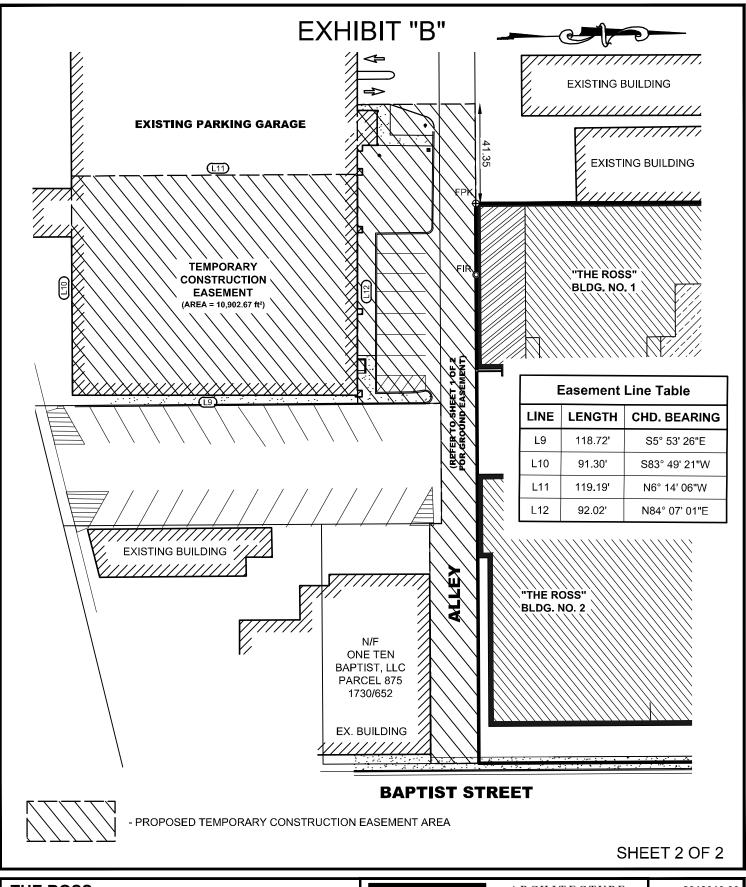
THE ROSS
TEMPORARY CONSTRUCTION EASEMENT
144 EAST MAIN STREET
CITY OF SALISBURY
WICOMICO COUNTY, MARYLAND



ARCHITECTURE ENGINEERING

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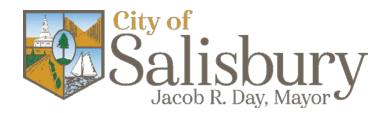
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To: Julia Glanz, City Administrator

From: Amanda Pollack, P.E., Director of Infrastructure and Development

Date: December 16, 2019

Re: Resolution – 130/132/144 East Main Street Air Rights Easement



First Move Properties, LLC, the developer of 130/132/144 East Main Street, is seeking a Deed of Easement for the air rights between 130/132 East Main Street and the Parking Garage. The developer is proposing to install a walking bridge between the new building known as The Ross Building to connect to the top floor of the parking garage.

The attached easement describes the City owned property that will be subject to the easement and provides exhibits of the impacted area.

Unless you or the Mayor has further questions, please forward a copy of this memo, the Deed of Easement and Ordinance to the City Council.

DEED OF EASEMENT

THIS DEED OF EASEMENT, is made this _____ day of ______, 2020, by THE CITY OF SALISBURY, a municipal corporation of the State of Maryland (hereinafter referred to as "Grantor"), and FIRST MOVE PROPERTIES, LLC, a Maryland limited liability company (hereinafter referred to as "Grantee") (Grantor and Grantee are hereinafter referred to collectively as the "Parties").

RECITALS

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as "61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY", consisting of 61,979 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as "**Parcel 881**");

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as "L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY", consisting of 18,151 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as "Parcel 880") (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the "City Property");

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/- square feet of floor space, constructed, operated and maintained by Grantor as a parking garage for purposes of providing parking to the general public (the "**Downtown Parking Garage**");

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as "L-40X110 132-134 E MAIN ST CITY OF SALISBURY", being in all respects the same property conveyed by George H. White and Deborah W. Poole unto Grantee, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (hereinafter referred to as "Parcel 856");

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, described as "3,300 SQFT 130A-130 E. MAIN ST CITY OF SALISBURY", and being in all respects the same property conveyed by Livingston Holdings, LLC unto Grantee, by Deed dated February 6, 2019 and recorded among the Land Records of Wicomico County, Maryland in Liber 4430, folio 483 (hereinafter referred to as "Parcel 855") (Parcel 856 and Parcel 855 are hereinafter referred to collectively as the "FMP Property");

WHEREAS, Grantee plans to redevelop the FMP Property by constructing a twelve-story, approximately one hundred sixty-five feet (165'+/-) tall, building thereon, which, when completed, will consist of commercial retail spaces on the first floor, fifty-nine (59) luxury-style apartments on the second through eleventh floors, and an event space on the twelfth floor (the said twelve-story building Grantee plans to construct at the FMP Property is hereinafter referred to as the "Ross Building");

WHEREAS, for the use and operation of the Ross Building, Grantee desires the exclusive right to unrestricted light and air in, to, over and through the air space of the Property more particularly described in **Exhibit A** attached hereto and incorporated herein (the air space of the Property described in **Exhibit A** is hereinafter referred to as the "**Easement Area**")

WHEREAS, for purposes of Grantee's development and construction of the Ross Building, Grantor desires to grant and convey Grantee, in accordance with the terms and conditions of this Deed of Easement, a permanent, perpetual, exclusive easement, in gross, in, to, over and through all of the air space of the Easement Area, such that Grantor, its successors or assigns, shall never construct, maintain or erect any structure of any type or kind whatsoever, permanent or temporary, that will infringe or otherwise obstruct the light and air space of the Easement Area.

- **NOW, THEREFORE**, in consideration of the mutual covenants, agreements and obligations of the Parties contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by the Parties, Grantor and Grantee, for themselves and their respective successors and assigns, do hereby covenant and agree as follows:
- 1. <u>Grant of Easement</u>. Grantor does hereby grant and convey unto Grantee, its successors and assigns, a permanent, perpetual and exclusive easement, in gross, in, to, over and through all of the air space of the Easement Area.
- **2. Purpose of Easement.** Grantor grants and conveys the easement described in Section 1 hereof for the purpose of granting and conveying unto Grantee, its successors and assigns, the exclusive right to unrestricted light and air to, over, within and through the Easement Areas, such that Grantor, its successors or assigns, shall not construct, maintain or erect, or permit the construction, maintenance or erection of any structure, of any type or kind whatsoever, permanent or temporary, that will infringe or otherwise obstruct the light and air space of the Easement Area.
- **3.** Grantor's Use of the Property. Subject to the terms set forth in Section 2 hereof, Grantor reserves unto itself, its successors, heirs and assigns, the full use and enjoyment of the City Property.

4. Miscellaneous.

- (a) Run with the Land. All covenants, obligations and benefits set forth in this Deed of Easement shall run with the City Property and the FMP Property and shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns.
- **(b) Further Actions.** The Parties each covenant and agree to cooperate with one another and to do all things reasonably necessary in implementing the provisions of this Deed of Easement and to take whatever action(s) may be reasonably required of them respectively, from time to time, in order to implement the provisions of this Deed of Easement and all of the transactions contemplated hereby.
- (c) Completion of the FMP Project by Grantee. Unless otherwise agreed to in writing by the Parties, in the event Grantee, its successors or assigns, fails or otherwise refuses to secure a Certificate of Occupancy for the Ross Building within three (3) years from the date hereof, this Deed of Easement, including all rights granted unto Grantee hereunder, shall terminate and be of no force and effect.

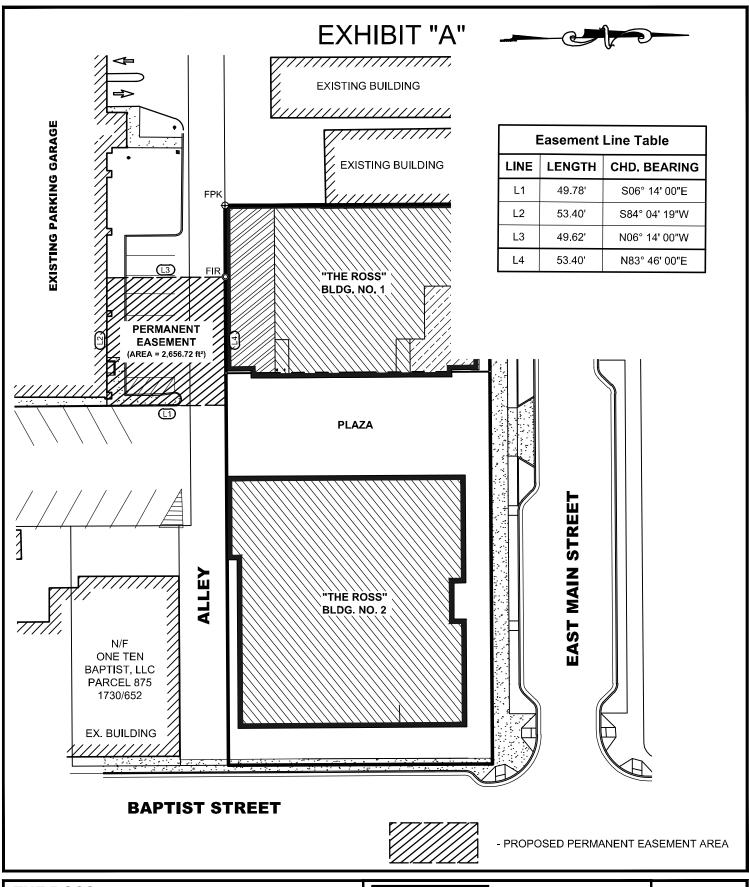
- (d) Recording. The Parties expressly acknowledge and agree that this Deed of Easement, and all exhibits attached hereto, shall be recorded in the Land Records of Wicomico County, Maryland. Grantee shall bear all costs, if any, incurred in connection with the recording of this Deed of Easement as aforesaid.
- Interpretation; Severability; Amendment. This Deed of Easement shall be governed by the laws of the State of Maryland without regard to its conflict of laws principles. The section headings contained in this Deed of Easement are inserted for convenience of reference only and do not, in any way, define, limit or describe the scope of this Deed of Easement or the intent of the provisions hereof. If any term of this Deed of Easement or any application thereof is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Deed of Easement shall remain in full force and effect. Any provision of this Deed of Easement held invalid or unenforceable only in part or degree shall remain in full force and effect to the extent not held invalid or unenforceable. This Deed of Easement constitutes the entire agreement of the Parties with respect to the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Deed of Easement are merged herein and are superseded and canceled by this Deed of Easement. This Deed of Easement, and all the terms and conditions set forth herein, shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's agent or attorney drafted all or any part of this Deed of Easement. This Deed of Easement may be amended or modified only by an instrument in writing signed by the Parties hereto. The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Deed of Easement.

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

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Deed of Easement as of the day and year first above written.

| WITNESS/ATTEST: | <u>"GRANTOR"</u> : | |
|-----------------|-------------------------------|--------|
| | City of Salisbury, Maryland | |
| | | |
| | By: Jacob R. Day, Mayor | (SEAL) |
| | <u>"GRANTEE"</u> : | |
| | First Move Properties, LLC | |
| | | |
| | By: | |
| | Nicholas R. Simpson, Managing | Member |

| STATE OF MARYLAND, COUNTY OF | , TO WIT: |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| I HEREBY CERTIFY that on thisda me, the subscriber, a Notary Public in and for the S JACOB R. DAY, who acknowledged himself to b MARYLAND, and that he, as such officer, being instrument on behalf of said municipal corporation | be the Mayor of THE CITY OF SALISBURY, g authorized to do so, executed the foregoing |
| AS WITNESS my hand and Notarial Seal. | |
| My Commission Expires: | NOTARY PUBLIC |
| STATE OF MARYLAND, COUNTY OF | , TO WIT: |
| I HEREBY CERTIFY, that on this before me, the subscriber, a Notary Public in and appeared NICHOLAS R. SIMPSON, who acknow FIRST MOVE PROPERTIES, LLC, and that he, a to do, executed the foregoing instrument on behalf therein contained. | rledged himself to be the Managing Member of its such Managing Member, being authorized so |
| AS WITNESS my hand and Notarial Seal. | |
| NOTA | ARY PUBLIC |
| My Commission Expires: | |
| <u>CERTIFICATION 1</u> | BY ATTORNEY |
| This is to certify that the within instrument undersigned, an attorney duly admitted to practice | was prepared by or under the supervision of the before the Court of Appeals of Maryland. |
| | Michael P. Sullivan |



THE ROSS PERPETUAL MAINTENANCE EASEMENT **144 EAST MAIN STREET CITY OF SALISBURY** WICOMICO COUNTY, MARYLAND

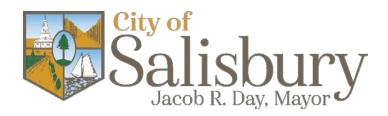


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BMG: **2018010.00** SCALE: 1" = 40' DATE: 12/16/2019 DRAWN BY : E.H.H.



To: Julia Glanz, City Administrator

From: Amanda Pollack, P.E., Director of Infrastructure and Development

Date: December 16, 2019

Re: Resolution - 130/132/144 East Main Street Temporary Construction and Permanent

Maintenance Easements

First Move Properties, LLC, the developer of 130/132/144 East Main Street, is seeking a Temporary Construction Easement and Perpetual Maintenance Easement for the alley between 130/132 East Main Street and the Parking Garage. The Temporary Construction Easement will be to allow for the construction of the walking bridge between the new building known as The Ross Building to connect to the top floor of the parking garage. The Permanent Easement will be for maintenance of the walking bridge.

The attached easement describes the City owned property that will be subject to the easement and provides exhibits of the impacted area.

Unless you or the Mayor has further questions, please forward a copy of this memo, the Deed of Easement and Ordinance to the City Council.

TEMPORARY CONSTRUCTION EASEMENT AND PERPETUAL MAINTENANCE EASEMENT

THIS TEMPORARY CONSTRUCTION EASEMENT AND PERPETUAL MAINTENANCE EASEMENT ("Easement"), is made this ___ day of _____, 2020, by THE CITY OF SALISBURY, a municipal corporation of the State of Maryland (hereinafter referred to as "Grantor"), and FIRST MOVE PROPERTIES, LLC, a Maryland limited liability company (hereinafter referred to as "Grantee") (Grantor and Grantee are hereinafter referred to collectively as the "Parties").

RECITALS

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as "61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY", consisting of 61,979 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as "Parcel 881");

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as "L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY", consisting of 18,151 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as "Parcel 880") (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the "City Property");

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/- square feet of floor space, constructed, operated and maintained by Grantor as a parking garage for purposes of providing parking to the general public (the "**Downtown Parking Garage**");

WHEREAS, Grantor is the owner of all of that lot, piece and parcel of land consisting of a public right-of-way extending East from Baptist Street and running Westerly behind the properties situate on East Main Street to the North, known as 144 E. Main Street and 132 E. Main Street through 116 E. Main Street (the "**Alleyway**");

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as "L-40X110 132-134 E MAIN ST CITY OF SALISBURY", being in all respects the same property conveyed by George H. White and Deborah W. Poole unto Grantee, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (hereinafter referred to as "Parcel 856");

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, described as "3,300 SQFT 130A-130 E. MAIN ST CITY OF SALISBURY", and being in all respects the same property conveyed by Livingston Holdings, LLC unto Grantee, by Deed dated February 6, 2019 and recorded among the Land Records of

Wicomico County, Maryland in Liber 4430, folio 483 (hereinafter referred to as "**Parcel 855**") (Parcel 856 and Parcel 855 are hereinafter referred to collectively as the "**FMP Property**");

WHEREAS, Grantee plans to redevelop the FMP Property by constructing a twelve-story, approximately one hundred sixty-five feet (165'+/-) tall, building thereon, which, when completed, will consist of commercial retail spaces on the first floor, fifty-nine (59) luxury-style apartments on the second through eleventh floors, and an event space on the twelfth floor (the said twelve-story building Grantee plans to construct at the FMP Property is hereinafter referred to as the "**Ross Building**");

WHEREAS, in connection with its development and construction of the Ross Building, Grantee plans to construct and install an aerial pedestrian walkway, extending across certain portions of the Alleyway and connecting the Northeasterly corner of the fourth level of the Downtown Parking Garage with the Southerly side of the fourth floor of the Ross Building (the "Aerial Walkway") (the area of land and airspace of over and through which the Aerial Walkway will extend to connect the fourth level of the Downtown Parking Garage to the fourth floor of the Ross Building, as aforesaid, is described in **Exhibit A** attached hereto and incorporated herein);

WHEREAS, for purposes of Grantee's construction and installation of the Aerial Walkway as aforesaid, Grantee requires access to the Alleyway during the period of its construction of the Aerial Walkway and from time to time thereafter to perform its obligations hereunder;

WHEREAS, in accordance with the terms and conditions set forth herein, Grantor desires to grant and convey unto Grantee a permanent, perpetual and non-exclusive easement in, to, over and through all that land and airspace described in **Exhibit A** attached hereto and incorporated herein, for the purposes herein contained; and,

WHEREAS, in accordance with the terms and conditions set forth herein, Grantor further desires to desires to grant and convey unto Grantee, for the purposes herein contained, a temporary, non-exclusive easement over, under, in, along and across all that land described in **Exhibit B** attached hereto and incorporated herein.

- **NOW, THEREFORE**, in consideration of the mutual covenants, agreements and obligations of the Parties contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by the Parties, Grantor and Grantee, for themselves and their respective successors and assigns, do hereby covenant and agree as follows:
- 1. Grant of Temporary Construction Easement. Grantor, for itself and for its successors and assigns, hereby grants and conveys unto Grantee, its successors and assigns, a temporary, non-exclusive easement (the "Temporary Construction Easement") for ingress, egress and regress over, under, in, upon, along and across all that property consisting of certain portions of the City Property, including such portions of the Downtown Parking Garage located thereon, and portions of the Alleyway as more particularly described in Exhibit B attached hereto and incorporated herein (the property described in Exhibit B is hereinafter referred to as the "Temporary Construction Easement Area"), for Grantee's use in connection with Grantee's construction and installation of the Aerial Walkway.

- **2.** Term of Temporary Construction Easement. Grantee shall provide Grantor with at least three (3) days prior written notice of Grantee's intention to commence the use of and/or work within the Temporary Construction Easement Area for Grantee's construction and/or installation of the Aerial Walkway or any purpose related thereto (the "Construction Commencement Date"). Unless relinquished sooner by Grantee, the term of the Temporary Construction Easement shall commence on the Construction Commencement Date and shall continue, without interruption, through and until such time as Grantee secures a Certificate of Occupancy for the Ross Building planned for construction at the FMP Property.
- 3. Grant of Permanent Easement. Grantor does hereby grant, convey, transfer and deliver unto Grantee a permanent, perpetual and non-exclusive easement (the "Permanent Easement") in, to, over, upon, through, along and across all that area of land and airspace described in Exhibit A attached hereto and incorporated herein (the property described in Exhibit A is hereinafter referred to as the "Permanent Easement Area"), for Grantee's use and operation of the Aerial Walkway, including Grantee's maintenance thereof.
- **4.** <u>Term of Permanent Easement.</u> The term of the Permanent Easement shall begin as of the Construction Commencement Date and, thereafter, shall continue in perpetuity. Upon the commencement thereof as aforesaid, the Permanent Easement shall run with the City Property and the FMP Property and shall inure to the benefit of Grantee, its successors and assigns.

5. <u>Construction of Improvements.</u>

- (a) In connection with its use of the Temporary Construction Easement Area and Permanent Easement Area hereunder, Grantee shall:
 - (i) Obtain any and all permits which are required to be obtained before using any portion of the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee's development and/or construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway;
 - (ii) Construct and maintain all improvements within the Permanent Easement Area in compliance with all applicable laws, regulations and/or ordinances of each governmental agency having jurisdiction over the construction and/or use of any improvements constructed and/or installed by Grantee upon or within the Permanent Easement Area. Any improvements constructed within the Permanent Easement Area, including, but not limited to, the Aerial Walkway, shall be maintained by Grantee in good condition, both as to safety and appearance, and the maintenance of all such improvements shall be performed by Grantee in a manner so as to not interfere with the use, maintenance or operation of the Alleyway located below the horizontal bottom of the Permanent Easement Area, except that Grantee shall have the right, upon reasonable notice to Grantor, to occupy the Alleyway for purposes of performing its maintenance obligations hereunder. If, in the reasonable judgment of Grantor, the use or operation of the Alleyway may be interfered with or jeopardized as a result of Grantee's failure to perform its maintenance obligations hereunder, Grantor may, but shall not be

obligated to, enter onto the Permanent Easement Area and perform such work as may be reasonably necessary in order to perform Grantee's duties and obligations under this Section 5(a)(ii); in which case, Grantee shall, upon the written request of Grantor, promptly reimburse Grantor for any and all reasonable expenses Grantor may incur in its performance of any of Grantee's duties and obligations contained in this Section 5(a)(ii), and Grantor shall provide Grantee with reasonable documentation evidencing all such reasonable expenses incurred by Grantor;

- (iii) For itself and for its successors, representatives, agents and assigns, Grantee expressly agrees it shall not place any improvements or fixtures on, or conduct any activity within, the Permanent Easement Area which will unreasonably interfere with Grantor's and/or the general public's use or enjoyment of the Alleyway with respect to that certain area located below the horizontal bottom of the Permanent Easement Area as described in **Exhibit A**; and
- (iv) For itself and for its successors, representatives, agents and assigns, Grantee expressly agrees it shall not store or discharge, or allow the storage or discharge of, any radioactive, toxic flammable, poisonous, explosive or other dangerous, hazardous materials or waste within the Temporary Construction Easement Area and/or the Permanent Easement Area.

6. <u>Indemnification and Insurance</u>.

- (a) Grantee hereby expressly agrees to defend, indemnify and hold Grantor, and all of Grantor's elected officials, appointed officials, employees, representatives, agents and contractors, harmless from and against:
 - (i) Any and all claims by any person, firm or entity for labor, services, materials or supplies provided in connection with the construction, installation and/or maintenance of any improvement constructed and/or installed at, upon or within the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee's construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway; and/or
 - (ii) Any and all claims for injuries to, or the death of, any and all individuals, or for loss of or damage to property, or from any environmental damage, degradation, response and clean-up costs, including all reasonable attorney's fees and related expenses incurred by Grantor, arising from or related to Grantee's use and/or occupancy of the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee's construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway.

Grantee shall obtain and keep in full force and effect, until construction of the Ross Building is completed (including the construction and/or installation of the Aerial Walkway), a single policy of builders' risk insurance, effective as of the Construction Commencement Date, naming Grantor as an additional covered insured thereunder, with policy limits of not less than the full replacement cost of all insurable components of the improvements to be constructed and/or installed by Grantee on or within the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee's construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway. Grantee's obligation to maintain a policy of builder's risk insurance under this Section 6(b) shall terminate as of the date on which Grantee secures a Certificate of Occupancy for the Ross Building. Furthermore, Grantee, for itself and for it successors and assigns, agrees to obtain and maintain a policy or policies of general public liability insurance, including broad form endorsements, on an occurrence basis, naming Grantor as an additional covered insured thereunder, with combined policy limits of not less than Five Hundred Thousand Dollars (\$500,000) for injuries, including accidental death, to any one person, and subject to the same limit for each person, not less than One Million Dollars (\$1,000,000) for any one accident involving two or more persons; and property damage liability insurance in an amount not less than Five Hundred Thousand Dollars (\$500,000) for any one accident and not less than One Million Dollars (\$1,000,000) in the aggregate with respect to any improvements constructed, installed and/or maintained by Grantee within the Permanent Easement Area. Grantee shall provide Grantor with a certificate of such insurance policy(ies) issued by a company authorized to do business in Maryland naming Grantor as an additional insured thereunder, with a right to not less than thirty (30) days written notice of cancellation or non-renewal of any such insurance policy(ies).

7. Miscellaneous.

- (a) Authority. Each party represents and warrants to the other party that it: (i) has the full right, power and authority to execute this Easement; (ii) the execution and delivery of this Easement and the performance of its obligations hereunder are not prohibited by or in breach of, and the provisions hereof do not conflict with, any other agreement, mortgage, contract or other instrument or document to which it is a party or by which it is otherwise bound; and, (iii) there are no legal requirements imposed upon it which prohibit or limit the execution and delivery of this Easement and the performance of its obligations hereunder.
- **(b) Waiver-Amendments.** Any of the terms or conditions contained in this Easement may be waived but only in writing by the party which is entitled to the benefit thereof, and this Easement may be amended or modified in whole or in part only by an agreement in writing executed by all of the Parties. Each and every right, remedy and power granted to a party under this Easement or allowed by law shall be cumulative and not exclusive of any other.
- (c) Completion of the FMP Project by Grantee. Notwithstanding any term to the contrary set forth herein, in the event Grantee, its successors or assigns, fails or otherwise refuses to secure a Certificate of Occupancy for the Ross Building within three (3) years from the date hereof, this Easement, including the Temporary Construction Easement, the Permanent Easement and all rights granted unto Grantee hereunder, shall terminate and be of no force and effect, unless otherwise agreed to in writing by the Parties.

- (d) Severability. If any term of this Easement or any application thereof is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Easement shall remain in full force and effect. Any provision of this Easement held invalid or unenforceable only in part or degree shall remain in full force and effect to the extent not held invalid or unenforceable.
- **(e) Binding Nature of Easement; Run with the Land.** All covenants, obligations and benefits set forth in this Easement shall run with the City Property, the Alleyway, and the FMP Property and shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns.
- (f) Entire Agreement. This Easement, including all exhibits attached hereto, constitutes the entire agreement and understanding of the Parties with respect to the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Easement, including, but not limited to, the Temporary Construction Easement and Permanent Easement conveyed and granted unto Grantee hereunder, are merged herein and are superseded and canceled by this Easement.
- (g) Construction. This Easement and all of the terms and conditions set forth herein shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's agent or attorney drafted all or any part of this Easement. Section headings are for convenience of reference only and shall not limit or otherwise affect any of the provisions of this Easement. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural
- (h) Notices. All notices and other communication given by a party to the other in connection with this Easement shall be in writing and shall be deemed delivered to the addressee thereof: (i) when delivered in person on a business day at the address set forth below; or, (ii) on the third (3rd) business day after being deposited in any main or branch United States post office, for delivery by properly addressed, postage prepaid certified or registered mail, return receipt requested, at the address set forth below; or, (iii) when delivered by a nationally-recognized delivery service company at the address set forth below, with written proof of delivery.

All notices and other communications to Grantor shall be addressed to, and delivered at, the following address:

The City of Salisbury c/o Director of the Department of Infrastructure & Development 125 N. Division Street Salisbury, Maryland 21801

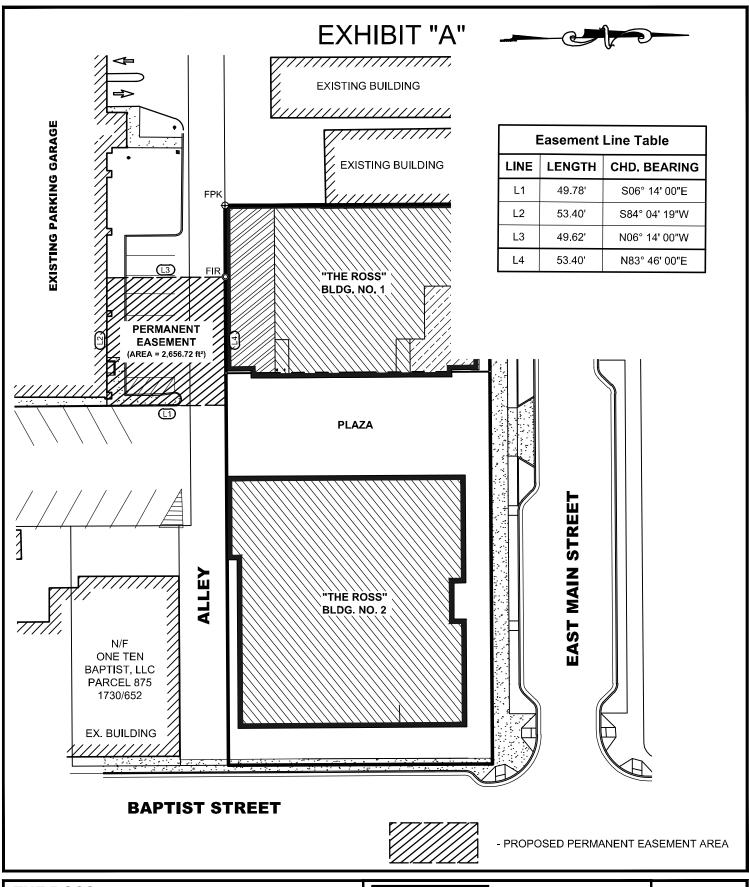
All notices and other communications to Grantee shall be addressed to, and delivered at, the following address:

First Move Properties, LLC c/o Nicholas R. Simpson P.O. Box 335 Salisbury, Maryland 21803 Either party may change its address by providing notice to the other party as set forth in this Section 7(h).

- (i) Governing Law. This Easement shall be construed and enforced in accordance with the laws of the State of Maryland, without regard to its conflict of laws principles.
- (j) Recording. The Parties expressly acknowledge and agree that this Easement, and all exhibits attached hereto, shall be recorded in the Land Records of Wicomico County, Maryland. Grantee shall bear all costs, if any, incurred in connection with the recording of this Easement as aforesaid.
- **(k) Recitals.** The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Easement.
- **IN WITNESS WHEREOF**, the Parties hereto have set their hands and seals and acknowledged this Temporary Construction Easement and Perpetual Maintenance Easement as of the day and year first above written.

| WITNESS/ATTEST: | <u>"GRANTOR"</u> : | | |
|-----------------|---------------------------------------|--------|--|
| | City of Salisbury, Marylan | d | |
| | By: Jacob R. Day, Mayor | (SEAL) | |
| | "GRANTEE": First Move Properties, LLO | С | |
| | By: Nicholas R. Simpson, Mar | | |

| STATE OF MARYLAND, COUNTY OF | , TO WIT: |
|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| me, the subscriber, a Notary Public in and for the JACOB R. DAY, who acknowledged himself to | day of, 2020, before ne State and County aforesaid, personally appeared to be the Mayor of THE CITY OF SALISBURY, eing authorized to do so, executed the foregoing tion for the purposes therein contained. |
| AS WITNESS my hand and Notarial Se | eal. |
| My Commission Expires: | NOTARY PUBLIC |
| STATE OF MARYLAND, COUNTY OF | |
| before me, the subscriber, a Notary Public in a appeared NICHOLAS R. SIMPSON, who acknowledge FIRST MOVE PROPERTIES, LLC, and that he | day of, 2020, and for the State and County aforesaid, personally nowledged himself to be the Managing Member of e, as such Managing Member, being authorized so half of First Move Properties, LLC for the purposes |
| AS WITNESS my hand and Notarial Se | eal. |
| No | OTARY PUBLIC |
| My Commission Expires: | |
| <u>CERTIFICATIO</u> | ON BY ATTORNEY |
| This is to certify that the within instrume undersigned, an attorney duly admitted to pract | ent was prepared by or under the supervision of the cice before the Court of Appeals of Maryland. |
| | Michael P. Sullivan |



THE ROSS PERPETUAL MAINTENANCE EASEMENT **144 EAST MAIN STREET CITY OF SALISBURY** WICOMICO COUNTY, MARYLAND

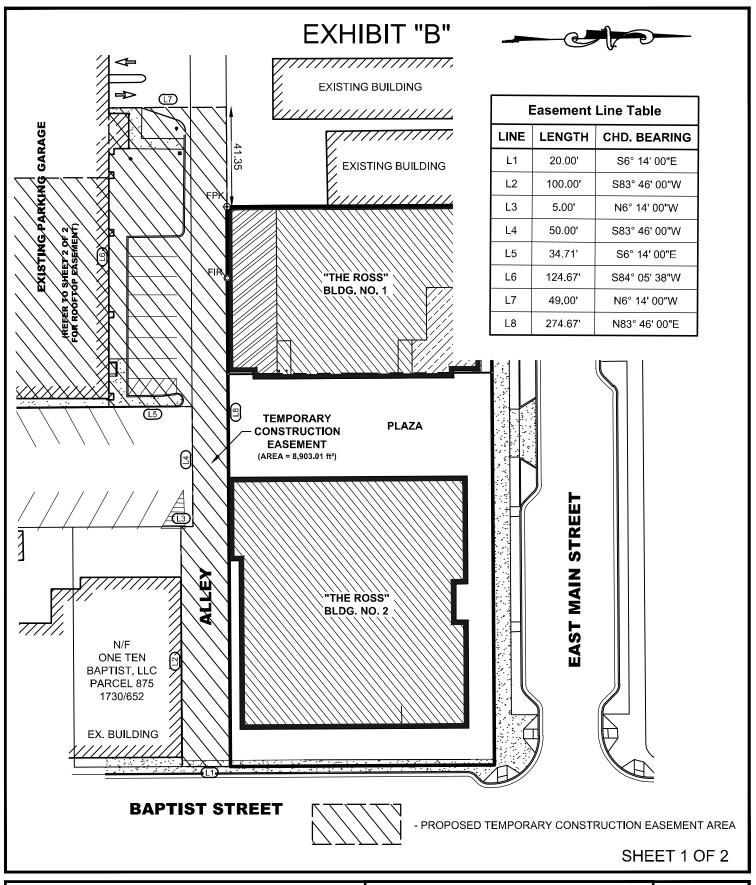


ARCHITECTURE ENGINEERING

Salisbury, DE

312 West Main Street Salisbury, MD 21801 Ph. 410.546.9100 Fax 410.546.2824

BMG: **2018010.00** SCALE: 1" = 40' DATE: 12/16/2019 DRAWN BY : E.H.H.



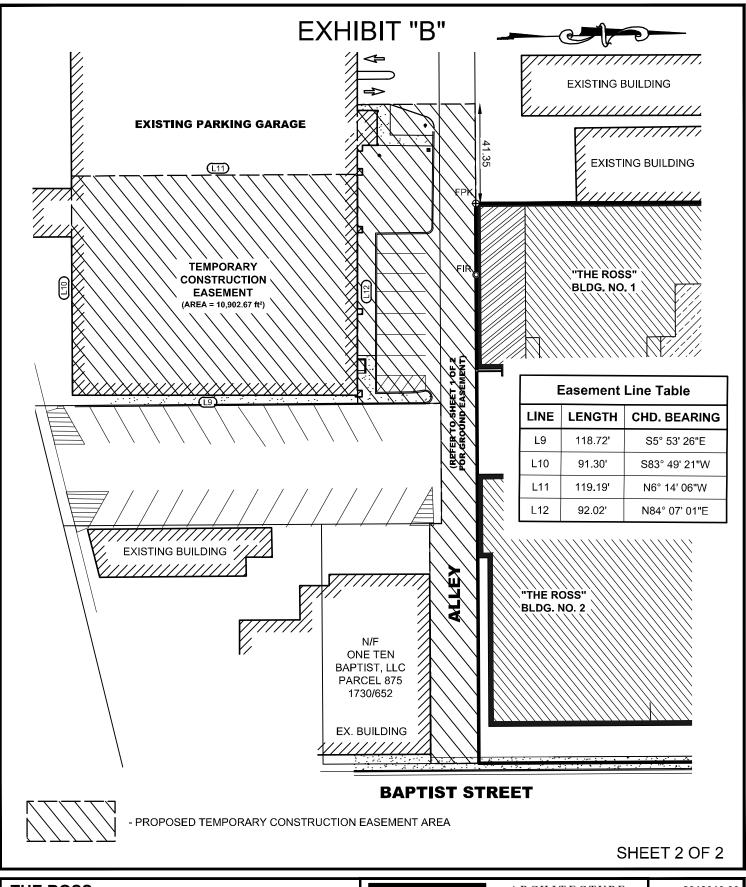
THE ROSS
TEMPORARY CONSTRUCTION EASEMENT
144 EAST MAIN STREET
CITY OF SALISBURY
WICOMICO COUNTY, MARYLAND



ARCHITECTURE ENGINEERING

Salisbury, DE

312 West Main Street Salisbury, MD 21801 Ph. 410.546.9100 Fax 410.546.2824 BMG: 2018010.00 SCALE: 1" = 40' DATE: 12/16/2019 DRAWN BY: E.H.H.



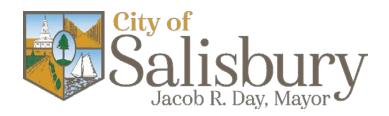
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144 EAST MAIN STREET
CITY OF SALISBURY
WICOMICO COUNTY, MARYLAND



ARCHITECTURE ENGINEERING

Salisbury, DE

312 West Main Street Salisbury, MD 21801 Ph. 410.546.9100 Fax 410.546.2824 BMG: 2018010.00 SCALE: 1" = 40' DATE: 12/16/2019 DRAWN BY: E.H.H.



To: Julia Glanz, City Administrator

From: Amanda Pollack, P.E., Director of Infrastructure and Development

Date: December 19, 2019

Re: Resolution – 144 East Main Street Capacity Fee Waiver

Attached is a letter from First Move Properties, LLC dated December 19, 2019 which requests consideration for a Capacity Fee waiver for the redevelopment of 144 East Main Street. 144 East Main Street is the Chamber of Commerce Building. It is proposed to be developed into a mixed use apartment complex. The building will have thirty-one (31) apartments and office space. Additionally, the request includes the Capacity Fees associated with the event space in the Ross Complex at 130/132 East Main Street. The total request is for a waiver of 35 EDUs. At the current Capacity Fee rate of \$3,533, the waiver request is equivalent to \$123,655.00.

144 East Main Street is part of the overall development that include 130 and 132 East Main Street. Those properties were granted Capacity Fee waivers via Resolution Nos. 2883 and 2924, which totaled 56.84 EDUs.

Per Ordinance No. 2258, the owner is seeking a Capacity Fee waiver as part of the Equivalent Dwelling Unit (EDU) Incentive Area. The original allocation of 300 EDUs was based on a transfer of EDUs from the former Linens of the Week property. To date, 213.64 EDUs of the original allocation of 300 EDUs have been used, therefore there are 86.36 EDUs available. If this request is approved, there will be 51.36 EDUs remaining.

As per Ordinance No. 2258, Infrastructure and Development has evaluated the eligibility of this project for the EDU Incentive Area. The project location is within the Central Business Zoning District and will consist of redevelopment that is not eligible for an affordable housing waiver. The project does or will comply with all other necessary criteria.

Attached is a Resolution for consideration to waive the Capacity Fees associated with the development of 144 East Main Street. After review of the request, Infrastructure and Development recommends approval. If this EDU waiver is approved, then it will be valid for two years from the date of the Resolution.

Unless you or the Mayor has further questions, please forward a copy of this memo, request letter and Resolution to the City Council.

FIRST MOVE PROPERTIES, LLC

P.O. Box 4365 Salisbury, MD 21803

December 19, 2019

City of Salisbury, Maryland
Department of Infrastructure & Development
Attn: Amanda H. Pollack, P.E., Director (apollack@salisbury.md)
125 N. Division Street, Room 202
Salisbury, Maryland 21801

Re: First Move Properties, LLC's Revised Request for Capacity Fee Waiver; Redevelopment of 144 E. Main Street, Salisbury, Maryland 21801 (Map 0107, Grid 0015, Parcel 858 and 878)

Dear Ms. Pollack:

On behalf of First Move Properties, LLC ("First Move"), please accept this letter as First Move's formal request to the City of Salisbury for a waiver of the Capacity Fees associated with First Move's redevelopment of 144 E. Main Street ("the Project")

First Move plans to demolish and redevelop the two-story office building located at 144 E. Main St. into two-person, three-person, and four-person luxury style apartments. The Project is on the brink of being permitted for construction. In the next few weeks First Move will be submitting applications for preliminary approval from the City of Salisbury Historic District Commission and the Salisbury-Wicomico County Planning and Zoning Commission. Additionally, the Project is premised on offering high quality apartment-style rentals to university students, thus the Project will inextricably link Salisbury University to Downtown Salisbury.

Pursuant to Ordinance No. 2258, the City created and authorized an "EDU Incentive Area" to reduce the capacity fees assessed against certain development and redevelopment projects in the City's Downtown Development District, the Central Business District, the Riverfront Redevelopment Area and the City's designated Enterprise Zone. Before passing Resolution No. 2883, the City Council passed Resolution No. 2864 to extend the expiration date of the EDU Incentive Area until September 23, 2023.

First Move estimates a total of 35 EDUs are needed for the Project. Under the City's EDU Incentive Area program, First Move is eligible for a waiver of the Capacity Fees associated with the EDUs allocated for the Project: the Project is located within the City's EDU Incentive Area; and, the Project satisfies all criteria governing the City's waiver of Capacity Fees for development projects undertaken within the EDU Incentive Area. Therefore, in accordance with the provisions of Chapter 13.04.110 of the City Code, First Move respectfully requests the City waive the Capacity Fees of \$123,655 assessed for all 35 EDUs needed for First Move's development of the Project.

If City staff has any questions or needs additional information regarding the matters addressed in this correspondence, please do not hesitate to contact me. On behalf of First Move, thank you for your time and consideration of this request.

Sincerely,

Nicholas Simpson, First Move Properties, LLC

144 E. Main St.

Residential: 31 Units = 31 EDU's

Office: 1500sqft = .54 EDU's

Event Space: 10,000sqft = 4 EDU's

Sub-Total: 35.54 EDU's

Less Credit of 1 EDU for existing water at 144 E. Main

Grand Total: 34.32 EDU's Rounded up to 35 EDU's

\$3,533 * 35 EDU's = \$123,655

| 1 2 | RESOLUTION NO |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3 4 5 6 7 | A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE CAPACITY FEE OF THE CITY'S COMPREHENSIVE CONNECTION CHARGE TO BE WAIVED FOR THE DEVELOPMENT OF 144 EAST MAIN STREET. |
| 8 9 10 | WHEREAS, First Move Properties, LLC has requested a waiver of the Capacity Fee for the development of 144 East Main Street; and |
| 10 11 12 13 | WHEREAS, the proposed development is located inside the City Limits and the Central Business District; and |
| 14 15 16 | WHEREAS, the City seeks to encourage development and redevelopment in the Central Business District; and |
| 17 18 19 20 | WHEREAS, the City seeks to reduce the capacity fees for eligible development and redevelopment in the Central Business District by means of an Equivalent Dwelling Unit (EDU) Incentive Area; and |
| 21 22 23 | WHEREAS, the proposed development of 144 East Main Street requires a total of 35 Equivalent Dwelling Units of water and sewer service; and |
| 24 25 26 | WHEREAS, the current Capacity Fee for one Equivalent Dwelling Unit is \$3,533.00; and |
| 27 28 | WHEREAS, the Capacity Fee for 35 Equivalent Dwelling Units is \$123,655.00; and |
| 29 30 31 | WHEREAS, the City Council approved a Capacity Fee waiver process under Ordinance No. 2258 for development in the Central Business District; and |
| 32 33 | WHEREAS, the Director of Infrastructure and Development reviewed the request and has determined that the project is eligible for the Capacity Fee waiver; and |
| 34 35 36 37 | WHEREAS, the Mayor reviewed the request and supports sending the request to the City Council; and |
| 38 39 40 | WHEREAS, if approved, the EDU allocation for the Capacity Fee waiver is valid for two years from the time of the signing of this Resolution; and |
| 41 42 43 44 | WHEREAS, the property owner has the option to request an extension of the allocation for two one-year terms, if approved in writing by the Director of Infrastructure and Development prior to expiration of the term; and |
| 45 46 47 | WHEREAS, the allocated EDUs are assigned to the development of 144 East Main Street and cannot be transferred by the recipient. |

| NOW, THEREFORE, B | SE IT RESC | OLVED that the Council of the City of Salisbury, | |
|--------------------------------------------------------------------|--------------|--------------------------------------------------|--|
| Maryland approves the waiver | of 35 Equ | ivalent Dwelling Units of Capacity Fee for the | |
| development of 144 East Main Street by First Move Properties, LLC. | | | |
| r | J | r | |
| THIS RESOLUTION W | as introduce | ed and duly passed at a meeting of the Council | |
| | | , 2020 and is to become effective | |
| immediately upon adoption. | na neia on . | , 2020 and is to become effective | |
| ininediately upon adoption. | | | |
| ATTEST: | | | |
| ATTEST. | | | |
| | | | |
| | | | |
| Kimberly R. Nichols | _ | John R. Heath | |
| CITY CLERK | | PRESIDENT, City Council | |
| CITT CLERK | | 1 RESIDENT, City Council | |
| | | | |
| A DDD OVED by me this | dorr of | 2020 | |
| APPROVED by me this | _ day or | , 2020 | |
| | | | |
| | | | |
| | _ | | |
| Jacob R. Day | | | |
| MAYOR, City of Salisbury | | | |