RESOLUTION No. 3054

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING A TEMPORARY CONSTRUCTION EASEMENT AND ONGOING MAINTENANCE EASEMENT. AND TO GRANT A DEED OF EASEMENT TO FIRST MOVE PROPERTIES, LLC.

WHEREAS, First Move Properties, LLC intends to improve properties it owns located at 130 East Main Street, 132 East Main Street and 144 East Main Street in the Central Business District; and

WHEREAS, First Move Properties, LLC requires easements across real property owned by the City of Salisbury in order to improve the properties identified as 130 E. Main Street and 132 E. Main Street, City of Salisbury, to create a walkway from the property to the City of Salisbury parking garage; and

WHEREAS, the attached Deed of Easement and the attached Temporary Construction Easement and Ongoing Maintenance Easement detail the aforementioned easement areas and agreement between the City of Salisbury and First Move Properties, LLC.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, that the Mayor is authorized to negotiate, sign and enter into an easements with First Move Properties, LLC that are substantially similar to the attached Temporary Construction and Ongoing Maintenance Easement and Deed of Easement, with such other terms and conditions as required by the City Solicitor.

THIS RESOLUTION was duly passed at a meeting of the Council of the City of Salisbury held on August 10, 2020, and is to become effective immediately upon adoption.

ATTEST:

Kimberly R. Nichols) Kimberly R. Nichols, City Clerk

APPROVED BY ME THIS:

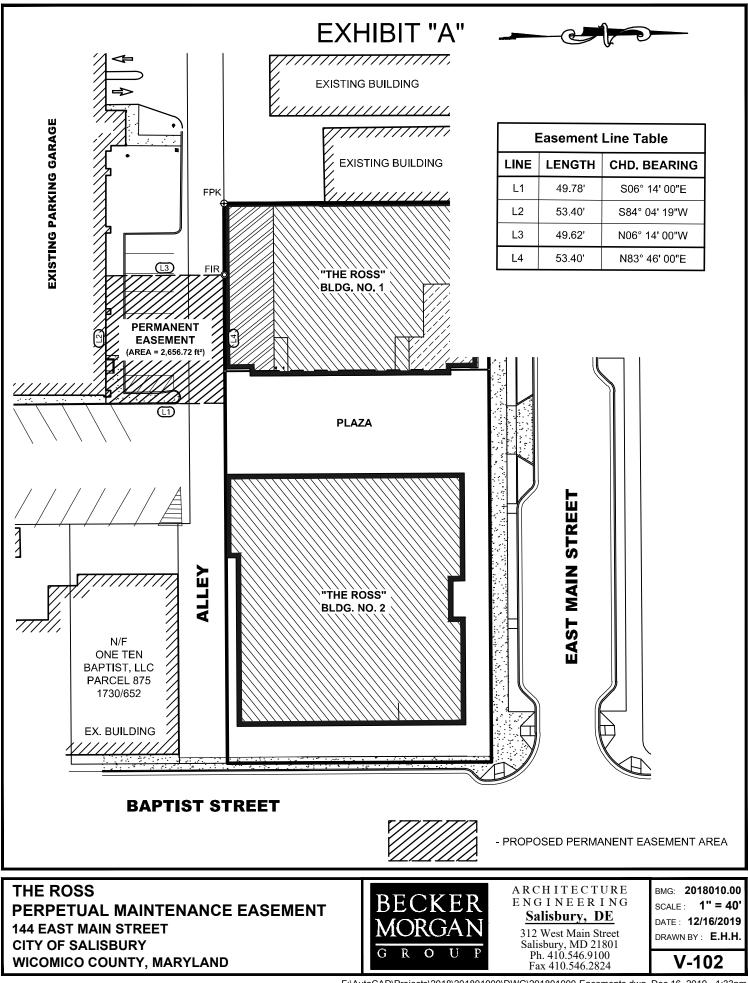
<u>17</u> day of August , 2020

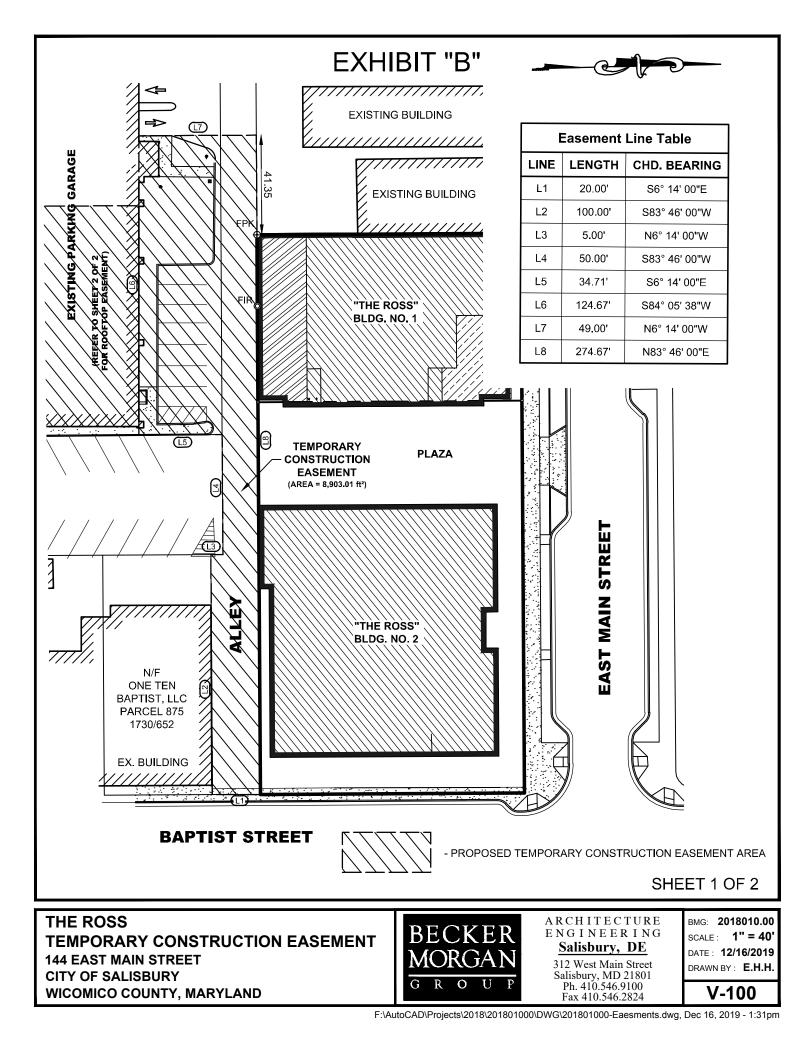
Julia Glanz, City Administrator, for and

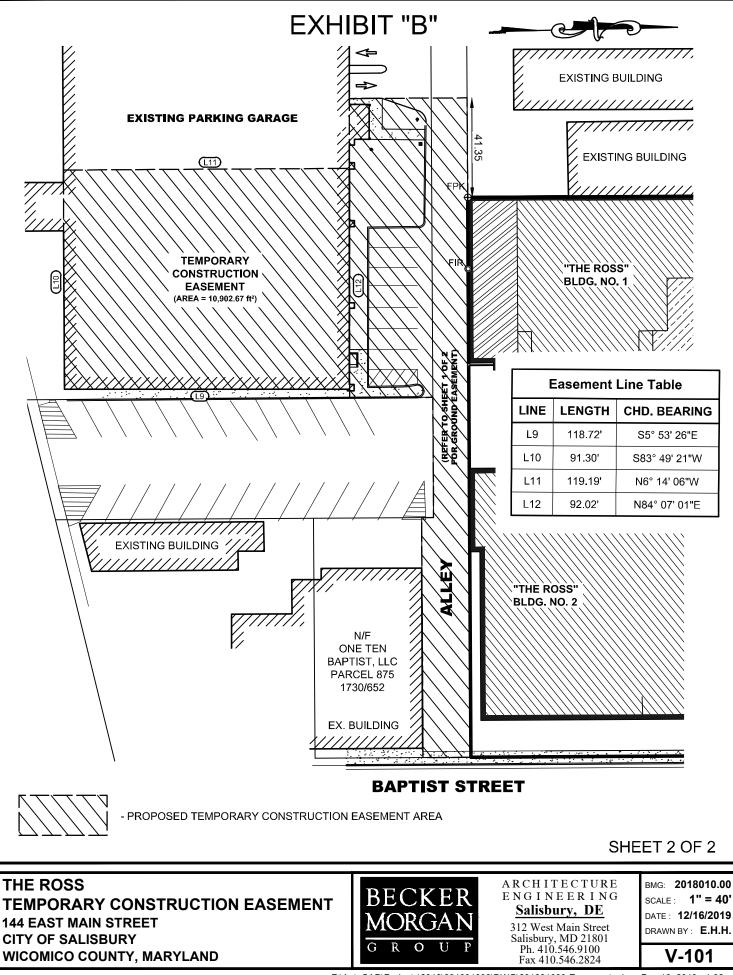
with the authority of Jacob R. Day, Mayor

John R. Heath, President

Salisbury City Council







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TEMPORARY CONSTRUCTION EASEMENT AND ONGOING MAINTENANCE EASEMENT

THIS TEMPORARY CONSTRUCTION EASEMENT AND ONGOING 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, there exists 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, Grantor and Grantee are aware of third-parties with possible private rights to the use of said Alleyway and Grantee has secured the written permission of the third-parties for Grantee's proposed use of 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 over which and airspace 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 herein and depicted in <u>Exhibit A</u> 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 Downtown Parking Garage and the Alleyway during the period of Grantee's 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 an ongoing and non-exclusive easement over and through all that land and airspace described herein and depicted in **Exhibit A** attached hereto and incorporated herein, for the purposes herein contained;

WHEREAS, in accordance with the terms and conditions set forth herein, Grantor further 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 herein and depicted 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. <u>Grant of Temporary Construction Easement</u>. 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 such portions of the Alleyway as are described herein and depicted in <u>Exhibit B</u> attached hereto and incorporated herein (the property described in <u>Exhibit B</u> 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. <u>Term of Temporary Construction Easement</u>. The term of the Temporary Construction Easement shall commence as of the date of this Easement (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. <u>Grant of Easement</u>. To the extent of any right, title and interest it may have and with respect to such portions of the Downtown Parking Garage as are necessary to the installation of the Aerial Walkway, Grantor does hereby grant, convey, transfer and deliver unto Grantee an ongoing and non-exclusive easement (the "**Ongoing Easement**") in, to, upon, through, along and across all that area of land and airspace through which the Aerial Walkway will extend as described herein and depicted in <u>Exhibit A</u> attached hereto and incorporated herein (the property described in <u>Exhibit A</u> is hereinafter referred to as the "**Ongoing Easement Area**"), for Grantee's use, operation and maintenance of the Aerial Walkway.

4. <u>Term of Ongoing Easement</u>. The term of the Ongoing Easement shall begin as of the Construction Commencement Date and, thereafter, shall continue for so long as the Downtown Parking Garage is maintained on the City Property and so long as Grantee utilizes and maintains the Aerial Walkway to the Downtown Parking Garage described herein. Grantor shall provide Grantee with written notice, specifying Grantor's intent to no longer maintain the Downtown Parking Garage on the City Property, no less than two hundred seventy (270) days prior to Grantor taking any such action with respect to the Downtown Parking Garage. Upon the Construction Commencement Date, and unless and until the Ongoing Easement is terminated pursuant to this Section 4, the Ongoing 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 Ongoing Easement Area, Grantee shall:

- (i) Obtain any and all permits which are required before using any portion of the Temporary Construction Easement Area and/or the Ongoing 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 Ongoing 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 Ongoing Easement Area. Any improvements constructed by Grantee within the Ongoing 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 Ongoing 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 Ongoing 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 Ongoing 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 above or below the area through which the Aerial Walkway will extend (as described herein and depicted in <u>Exhibit A</u>); 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 Ongoing Easement Area.

(b) Renovation or Rebuilding of Downtown Parking Garage. In the event that the Grantor determines, within its sole discretion, that the Downtown Parking Garage must be renovated (including tearing down and rebuilding) or be expanded, the Grantor will re-connect the Aerial Walkway to the repaired or replaced garage. Subject to the written notice required from Grantor under Section 4, if the Downtown Parking Garage ceases to exist in sufficiently close proximity to the FMP Property such that the currently planned Aerial Walkway cannot reasonably be utilized, the Grantor's obligations herein shall cease and this Easement will terminate.

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

(a) Grantee hereby expressly acknowledges and agrees to defend, indemnify and hold harmless Grantor, and all of Grantor's elected officials, appointed officials, employees, representatives, agents and contractors (for purposes of this Section 6, such persons are hereinafter referred to collectively as "Indemnitees"), 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 Ongoing Easement Area in connection with Grantee's construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway; and
- (ii) Any and all claims, liabilities, damages, losses, judgments, fines, penalties, suits, proceedings, actions, causes of action, costs and expenses, including the reasonable attorneys' fees incurred by such Indemnitee(s), arising from, relating to or in connection with: (A) Grantee's use and/or occupancy of the Temporary Construction Easement Area; and/or, (B) Grantee's use of the Ongoing Easement Area, the conduct or operation of Grantee's business on or within the Ongoing Easement Area, or any activity, work, or other things done, permitted or suffered by Grantee in or upon the Ongoing Easement Area, including Grantee's construction, use and/or installation of the Aerial Walkway thereon.

Grantee shall obtain and keep in full force and effect, until construction of **(b)** 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 Ongoing 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 Ongoing 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).

(c) The requirements of Grantee set forth in Sections (6)(a)-(b) shall run with the ownership of the FMP Property and be binding upon Grantee's successors and assigns, so long as Grantee, or its successors or assigns, continue to occupy or use the Ongoing Easement Area.

7. <u>Non-Appropriation.</u>

In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year, any unbudgeted expenses required of the Grantor as a result of this Easement shall terminate on the last day for which an appropriation was received by the Grantor for such expenses, without penalty or expense to the Grantor.

8. <u>Miscellaneous</u>.

(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 Ongoing 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 Ongoing 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 8(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) Cancellation. The Parties expressly acknowledge and agree that, in the event Grantee has not obtained a Certificate of Occupancy for the Ross Building by August 1, 2023 this Easement shall terminate.

(k) 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.

(I) **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 Ongoing Maintenance Easement as of the day and year first above written.

WITNESS/ATTEST:

<u>GRANTOR</u>:

City of Salisbury, Maryland

Kimberly R. Tickol

By:

: _____(SEAL) Julia Glanz, City Administrator, for and with the authority of Jacob R. Day, Mayor

<u>GRANTEE</u>: First Move Properties, LLC

By:____(SEAL) Nicholas R. Simpson, Managing Member STATE OF MARYLAND, COUNTY OF ________, TO WIT:

I HEREBY CERTIFY that on this <u>17</u> day of <u>August</u>, 2020, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared JULIA GLANZ, who acknowledged herself to be the City Administrator of THE CITY OF SALISBURY, MARYLAND, and that she, as such officer, being authorized to do so, executed the foregoing instrument on behalf of said municipal corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

My Commission Expires: 3-05-2022

imherly R.

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY, that on this _____ day of _____, 2020, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared NICHOLAS R. SIMPSON, who acknowledged himself to be the Managing Member of FIRST MOVE PROPERTIES, LLC, and that he, as such Managing Member, being authorized so to do, executed the foregoing instrument on behalf of First Move Properties, LLC for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

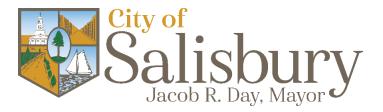
NOTARY PUBLIC

My Commission Expires:

CERTIFICATION BY ATTORNEY

This is to certify that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Michael P. Sullivan



To:	Julia Glanz, City Administrator	0
From:	Julia Glanz, City Administrator Amanda Pollack, P.E., Director of Infrastructure and Development	HX .
Date:	July 17, 2020	P
Re:	Resolution – The Ross Temporary Construction and Permanent Ma	intenance Easements

First Move Properties, LLC, the developer of 130/132/144 East Main Street, is seeking a Temporary Construction Easement and Ongoing 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 the Resolution to the City Council.