



CITY OF SALISBURY CITY COUNCIL AGENDA

NOVEMBER 23, 2020

6:00 p.m.

ZOOM MEETING

Times shown for agenda items are estimates only.

- 6:00 p.m. CALL TO ORDER
- 6:01 p.m. WELCOME/ANNOUNCEMENTS
- 6:02 p.m. SILENT MEDITATION
- 6:03 p.m. PROCLAMATIONS – City Administrator Julia Glanz
- Colonel Robert W. “Bob” Cook Day
 - 2020 Small Business Saturday
 - Lung Cancer Awareness Month
- 6:16 p.m. ADOPTION OF LEGISLATIVE AGENDA
- 6:17 p.m. CONSENT AGENDA - City Clerk Kimberly Nichols
- October 5, 2020 Work Session Minutes
 - October 26, 2020 Closed Session Minutes (separate email)
 - November 2, 2020 Legislative Session Minutes
- 6:20 p.m. AWARD OF BIDS – Procurement Director Jennifer Miller
- Award of Contract- ITB A-21-105 Water Meters & Metering Supplies
 - Declaration of Surplus- Department of Field Operations- Vehicle WM-6
- 6:25 p.m. RESOLUTIONS – City Administrator Julia Glanz
- **Resolution No. 3076**- to purchase improved real property, located at 519 Delaware Avenue, from Twilley Construction, Inc. for use by the Department of Field Operations
 - **Resolution No. 3077**- to purchase improved real property, located at 601 West Isabella Street, from Block Investment Group, LLC for use by the Department of Field Operations
 - **Resolution No. 3078**- to purchase improved real property, located at 605 West Isabella Street, from St. Fleur Family Investments, LLC for use by the Department of Field Operations
 - **Resolution No. 3079**- authorizing the Mayor to enter into an agreement with First Move Properties, LLC for the purchase of parking permits in the Downtown Parking Garage

- **Resolution No. 3080**- supporting the implementation of the HORIZON Program to encourage hotel and large-scale residential development and revitalization in the Downtown area of Salisbury

6:35 p.m. ORDINANCES - City Attorney Mark Tilghman

- **Ordinance No. 2629**- 2nd reading- to authorize the Mayor to sign the grant agreements, to accept two grants in the total sum of \$155,565.60 from the Maryland Department of Transportation (MDOT) Maryland Bikeways Program for the design of the Rail Trail, Phase 1 and West College Avenue Bikeway Projects, and to approve an amendment of the FY21 Budget to allocate said funds for purposes of implementation
- **Ordinance No. 2630**- 2nd reading- approving a budget amendment of the FY21 General Fund Budget to appropriate insurance proceeds received in FY21 as part of the payment for vehicle repair
- **Ordinance No. 2631**- 1st reading- to authorize the mayor to enter into a contract with the Wicomico County Health Department for the purpose of accepting grant funds in the amount of \$14,590.00, and to approve a budget amendment to the FY 2021 Grant Fund to appropriate these funds for the purchase of two (2) commercial floor cleaners (walk-behind style) and battery supplies

6:45 p.m. PUBLIC COMMENTS

6:50 p.m. COUNCIL COMMENTS

6:55 p.m. ADJOURNMENT

Copies of the agenda items are available for review in the City Clerk's Office, Room 305 – City/County Government Office Building, 410-548-3140 or on the City's website www.salisbury.md. City Council Meetings are conducted in Open Session unless otherwise indicated. All or part of the Council's meetings can be held in Closed Session under the authority of the Maryland Open Meetings Law, Annotated Code of Maryland General Provisions Article § 3-305(b) by vote of the City Council.

NEXT COUNCIL MEETING – DECEMBER 14, 2020

- ALICE Report - Claire Otterbein, United Way of the Lower Eastern Shore Community Impact Manager
- Presentation / Approval of FY20 Audit- Timothy Sawyer, CPA, CGMA
- Ordinance No. 2631- 2nd reading- to authorize the mayor to enter into a contract with the Wicomico County Health Department for the purpose of accepting grant funds in the amount of \$14,590.00, and to approve a budget amendment to the FY 2021 Grant Fund to appropriate these funds for the purchase of two (2) commercial floor cleaners
- Ordinance No. __ - 1st reading- accepting grant for ESG for Hazard Pay
- Ordinance No. __ - 1st reading- amending City's General Capital Project Fund budget to reallocate funding for GOB Roof Project
- Ordinance No. __ - 1st reading- amendment to City's Water Sewer Capital Project Fund budget to reallocate funding for the Structural Study and the Park Water Treatment Plant Interior improvements
- Ordinance No. __ - 1st reading- accepting grant for the National Folk Festival from the National Endowment of the Arts

Join Zoom Meeting

<https://us02web.zoom.us/j/5362772908>

Meeting ID: 536 277 2908

One tap mobile

+13017158592,,5362772908# US (Germantown)

+13126266799,,5362772908# US (Chicago)

+19292056099,,5362772908# US (New York)

CITY OF SALISBURY
WORK SESSION (VIA ZOOM MEETING)
OCTOBER 5, 2020

Public Officials Present

Council President John “Jack” R. Heath
Councilwoman Angela M. Blake

Council Vice President Muir Boda
Councilwoman Michele Gregory

Public Officials Absent

Mayor Jacob R. Day
Councilwoman April Jackson

In Attendance

City Administrator Julia Glanz, Grants Manager Deborah Stam, Fire Chief John Tull, Deputy Fire Chief Lee Smith, Field Operations (FOps) Director Tom Stevenson, Firefighter Todd Dudek, Retired Fire Chief Bill Higgins, City Attorney Mark Tilghman, and City Clerk Kimberly Nichols.

On October 5, 2020 the Salisbury City Council convened in a Work Session at 4:30 p.m. via Zoom. The following is a synopsis of the topics discussed:

Ordinance to accept donated funds for community projects

Grants Manager Deborah Stam reported the City received three checks in early February 2020 as donations for various community projects. Before the City could determine the best way to accept the funds and set up the account for expenditure, COVID-10 happened and it fell by the wayside. In getting back on track, a grants account was set up to accept the funds. The funds donated were:

- \$300 from Dr. Vel Natesan for the Kindness Commission
- \$100 from First Shore Federal Savings and Loan Association for the Kindness Commission
- \$50 from William and Brenda Beauchamp for the Ben’s Red Swings playground

Mr. Boda proposed creating an online form in which donations could be made for community projects.

Council appreciated the donations and reached unanimous consensus to move forward with the budget amendment.

Resolution to purchase 519 Delaware Avenue, 601 W. Isabella Street, and 605 W. Isabella Street

FOps Director Tom Stevenson reported on the three resolutions to purchase property contiguous to City-owned property. The purchases would expand Fop’s footprint as the improvements in the Master Plan were continued. 601 and 605 W. Isabella Streets would become part of Fop’s new 10,000 square foot Administrative Building, and 519 Delaware Ave. would become part of the

stormwater management system. After acquiring the two W. Isabella properties, two other properties would need to be acquired by FOPs- 609 W. Isabella St. (vacant lot) and 613 W. Isabella (owner occupied structure). The owner of 613 W. Isabella St. had expressed interest in selling. Mr. Stevenson reported the three properties discussed would exhaust FOPs funds to continue to purchase property, and they would have to figure out how to buy the last two.

President Heath asked City Attorney Mark Tilghman if he was satisfied with the indemnification on the environmental side, and Mr. Tilghman stated he was not opposed to inspection of the properties. Mr. Stevenson said he was not concerned with 601 W. Isabella St. as it was always a single-family dwelling at that location, and the worse thing they might find was a buried fuel tank. President Heath did not want the City to be responsible for cleaning up problems left before the purchase. He asked Mr. Tilghman if the contracts were worded to that effect, and Mr. Tilghman was satisfied with the language of the indemnification agreement, but having the language did not guarantee the ability to indemnify and reimburse the City. He said for that reason he was not opposed to the inspection of the properties.

President Heath asked Mr. Stevenson to attain costs for Phase 1 on the properties and placed the properties on the pending agenda list. Council would discuss purchase after costs were acquired.

Resolution to accept the donation of apparatus and equipment from Volunteer Fire Companies 2 & 16

Fire Chief John Tull introduced Deputy Chief Lee Smith, Deputy Chief James Gladwell, Retired Chief Bill Higgins (President of Fire Station 2), and Firefighter Todd Dudek (President of Station 16 and the volunteer corporations). There was \$268,524.94 worth of equipment and supplies purchased by the volunteer corporations and gifted to the City. The list of donated equipment and its value included the following:

• Command Vehicle Replacement (Assistant Chief 2)	Value - \$85,803.00
• Staff Vehicle Replacement (Deputy Chief)	Value - \$85,803.00
• Support Vehicle Replacement (Utility 2)	Value - \$57,000.00
• Lifting package for Chief's Vehicle	Value - \$19,409.00
• Server for Station Camera System	Value - \$8,000.00
• Rescue Training Mannequins	Value - \$1,335.00
• NeoMates & PediMates Training Mannequins	Value - \$3,779.94
• Spartan Cargo Trailer (8.5' X 24')	Value - \$7,395.00

Council greatly appreciated the organizations' donations and reached unanimous consensus to move forward with the resolution to accept the donations.

Budget Ordinance to accept a grant for \$109,246.82 from FEMA to offset COVID-19 expenses and Budget Ordinance to accept a grant for \$36,415.61 from the Wicomico County Health Department to offset COVID-19 expenses

Fire Chief Tull reported on the budget amendment to accept funds from the Federal Emergency Management Agency (FEMA) Since President Trump declared an emergency in March 2020 due

to the COVID-19 pandemic, funds became available through the Robert T. Stafford Disaster Relief and Emergency Assistance Act. The City incurred substantial expenses preparing for and responding to the COVID-19 pandemic, and under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials were eligible for reimbursement at a 75% federal cost share. The amount of the FEMA grant was \$109,028.69. Chief Tull reported that the Fire Department applied to the Wicomico County Health Department for the remaining 25% from the above amount through the CARES Act, and received funding for \$36,342.90. In all, around \$145,662.43 was coming back to the City through the two grants. He told Council that Deputy Chief James Gladwell wrote most of the Fire Department's grants.

Council thanked Chief Tull and the Fire Department for securing the grants, and reached unanimous consensus to move forward to accept the funds. City Administrator Julia Glanz thanked Chief Tull, Deputy Chief Gladwell, Finance Director Keith Cordrey, Assistant Director of Finance – Operations Olga Butar, and David Fitzgerald for their efforts and hard work.

Ordinances to amend Chapter 8.11, Fire Prevention Code and the Fee Schedule

Chief Tull reported on the ordinance to amend 8.11 Fire Prevention Code and the Fee Schedule. The revisions were based on MOU changes with the Fire Department and Maryland State Fire Marshal's Office that delineated job responsibilities. Several permits needed to be added to the Code that addressed fire hydrants, fireworks displays, and hazardous materials. References to the International Building Code and the Department of Housing and Community Development would be removed and timeframe requirements to submit Third Party Inspections would be added. Chief Tull said the Fee Schedule would be amended in the second ordinance.

Council reached unanimous consensus to advance the ordinances to legislative agenda.

Comments from City Administrator and Council

- Ms. Glanz- The 2020 Census was extended to the end of October
- Mr. Boda- please vote, participate in the Census, and support your local businesses
- Ms. Blake- please donate blood if healthy enough and to be sure to vote
- Ms. Gregory- reiterated everyone's sentiments, the deadline to register to vote was October 13 and the deadline to ask for a ballot by mail was October 20
- President Heath- if anyone in the public had not received their mail-in ballots by Friday, to call the Board of Elections since a batch had apparently not been mailed yet

Adjournment

With no further business to discuss, the Work Session adjourned at 5:00 p.m.

City Clerk

Council President

CITY OF SALISBURY
WORK SESSION (VIA ZOOM MEETING)
NOVEMBER 2, 2020

Public Officials Present

Council President John “Jack” R. Heath
Councilwoman Angela M. Blake

Council Vice President Muir Boda
Councilwoman April Jackson

Public Officials Absent

Mayor Jacob R. Day
Councilwoman Michele Gregory

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Housing & Community Development Director Ron Strickler, City Attorney Mark Tilghman, and City Clerk Kimberly Nichols.

On November 2, 2020 the Salisbury City Council convened in a Work Session at 4:30 p.m. via Zoom. The following is a synopsis of the topics discussed:

Budget Amendment to accept funds for repairs to Zoo vehicle

Field Operations Deputy Director-Service Ben Baker reported one of the Zoo vehicles had an accident on site and was repaired by a local vendor. The funds should have been sent to the vendor, but were sent to the General Fund. He requested the insurance adjustment from the vehicle totaling \$848.15 be transferred to 40000-534308 - Field Operations Zoo Vehicle Account.

Council reached unanimous consensus to move forward with the budget amendment.

Budget Amendment to accept a Maryland Bikeways Grant agreement

Transportation Project Specialist Will White reported the City was awarded two Bikeways Grants to provide funding for the final design of the Rail Trail, Phase 1 and W. College Ave Bikeway projects. Both were 80% grants, and a 20% match was required by the City.

Council reached unanimous consensus to advance the budget amendment to legislative agenda.

Hall Drive Annexation agreement

Permits and Inspections Manager Bill Holland reported the annexation went before the Planning Commission in February and was re-zoned R-8A. The annexation would add about an acre to the Corporate Limits and have a net positive impact to the City. Once developed, the property would have a value of approximately \$1.2 million with expected revenue of approximately \$12,120 and estimated annual costs of approximately \$4,500. He said the annexation would have a positive fiscal impact of approximately \$7,500 per year. The owner would pay a development assessment fee of \$3,650 per dwelling unit to be used towards beautification and revitalization of existing neighborhoods. The property would return to the Planning Commission before development.

The annexation plan proposed two buildings- one with four units and the other with six units. It included stormwater management facilities, a closed dumpster area, and an open recreation site.

Council reached unanimous consensus to move forward with the annexation.

Human Rights Advisory Committee Bylaw Amendments

Program Specialist Laura Baasland reported on two requested changes from the Human Rights Advisory Committee in the bylaws, Section 1.a – Membership. The first proposed amendment would remove the requirement to have “at least one (1) high school student” and amend it to read “at least one (1) youth representative aged 16-24 years.” The requirement was intended to ensure committee youth representation. However, the committee was unable to fulfill this requirement and the position has been vacant. They were confident in finding a successful candidate .

The second amendment proposed was to remove “members shall serve staggered terms of four (4) years; eight (8) members will serve four (4) year terms beginning and ending in even years, and seven (7) members will serve four (4) year terms beginning and ending in odd years. If a member resigns in the middle of a term, their replacement will serve the remaining length of the resigning member’s term.” The amendment would replace the clause with “Members shall serve two (2) year terms.” This would keep membership revolving with fresh ideas and input, and allow more community members to serve and enable easier membership management.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Neighborhood Revitalization Incentive Program discussion

Deputy City Administrator Andy Kitzrow presented a PowerPoint on a tax incentive program called HORIZON (“**H**otel or **R**esidential **I**ncentive **Z**one”). He discussed the City’s Enterprise Zone, RISE Zone, PILOTS (Payment in Lieu of Taxes), and TIFs (Tax Incremental Financing). HORIZON was a tax credit program that would incentivize large scale hotel or multi-family residential development in the Central Business District and Riverfront Redevelopment District. There were seven (7) projects in the pipeline or development stage located within the proposed HORIZON district, including “The Ross” on Main Street, Salisbury Town Center, 500 Riverside, Marina Landing, Downtown Lofts, SBY Market Center, and Lot 10. The projects represent an increase in assessed value of \$75 million and over 750 new people living downtown.

Mr. Kitzrow explained the four (4) following reasons for creating a tax credit program that focused on residential, multi-family in Downtown:

1. Due to an expected challenging recovery from the pandemic, an influx of people residing downtown would have a significant positive impact on retail and restaurant businesses located downtown and help with short- and long-term economic recovery.
2. The program would continue to support the Envision Salisbury Master Plan, adopted in 2016, which was to promote Downtown as the epicenter for continued growth in the City.
3. A strategic goal in the FY21 Budget was for a strong economy. HORIZON would incentivize business ownership, improve support for business owners and prioritize quality-of-life for residents to make the City attractive to businesses and their employees.

- 88 4. When infill construction is done into an existing community, it helps re-development to
89 allow the density crucial to development.
90

91 Mr. Kitzrow discussed reasons for the 25-year term and term summary and explained the
92 average tax credit over the 25-year term would be a 56% credit.
93

94 Ms. Jackson noticed most of the area was around the waterfront and did not see Fitzwater Street
95 in the area. She asked what would happen to displaced people in the neighborhood when
96 development began. City Administrator Julia Glanz said the map was drawn down the middle of
97 the street with no houses included; there would be no displaced people. The tool went hand in
98 glove with the City's Housing and Community Development efforts. A realtor would help with
99 redeveloping some of the lots the City purchased in the Fitzwater neighborhood.
100

101 Ms. Blake asked if it would be beneficial to give Habitat for Humanity a tax credit. The span of
102 time from purchase of property to the time to sell it was typically a four (4) year period. The
103 County was not open to providing a tax credit, and she was unaware whether the City did so in
104 the past. She stated two benefits of giving Habitat or Salisbury Neighborhood Housing Service
105 (SNHS) tax credits for when they prepared a home for sale, (1) they could rehab and sell it
106 quicker because funds for taxes could go back into rehabbing the property, and (2) it incentivized
107 homeownership, clean-up, and rehab of some of the homes in the area around big developments.
108 It would be more esthetically pleasing and would complement both residential and commercial.
109

110 Ms. Gregory shared Ms. Jackson's concerns and concurred with Ms. Blake. She asked for the
111 numbers of homes on the other side of Fitzwater Street that were homeowner occupied and
112 rentals, and was concerned that landlords would raise rents and not improve their properties. Mr.
113 Kitzrow said there were 12 - 15 homeowner occupied homes out of 300 in the Hill Street area.
114

115 President Heath said the project had very little impact on the Hill Street area homes. The City
116 should work to raise the property values those homes in a separate discussion. Ms. Jackson
117 supported redeveloping the area, but would not agree to HORIZON if she did not know what
118 would happen to her constituents. President Heath asked if Year 1 to 5 of the Term Summary
119 was a 100% tax credit on the incremental tax, not the base tax, and Mr. Kitzrow said it was.
120 President Heath said that the base taxes would be collected as is so there would be no tax
121 revenue lost by the City until they got to the end with all taxes coming on. Ms. Glanz noted the
122 only two properties on Fitzwater Street that would be impacted were Marina Landing and Lot 30.
123

124 Finance Director Keith Cordrey reported the Finance Department could easily administrate the
125 HORIZON program. The rates were very aggressive and it would reinforce the City's objectives.
126

127 Four developers and builders provided the following comments:
128

- 129 1. When seeking property Downtown to build "The Ross," he wanted to create a landmark
130 property and be in line with the Salisbury Master Plan. "The Ross" would house 300
131 residents, have a public rooftop café, and employ 30 - 100 construction workers daily
132 during its construction. In order for future development to occur, significant capital had
133 to be raised. Projects proposed on Lot 1, Lot 10, Lot 16, 500 Riverside, The Ross, and
134 others would cost millions of dollars. If looking at \$100,000,000 in development, and the
135 best-case scenario banks lent 60% - 70%, then \$30 million in equity had to be attracted.

- 136 The capital providers had no borders on where to invest and looked for the highest risk
137 adjusted to return available in market. Salisbury and Wicomico County were competing
138 against big national markets, and many had those types of incentives involved already.
- 139 2. In doing “The Ross,” he called over 350 financial institutions, family offices and private
140 investors to look at projects in Salisbury, and most commonly was told the returns were
141 not high enough. That was why some projects had extended timelines or were cancelled.
 - 142 3. A restaurant owner liked HORIZON’s simplicity and it would help Downtown boom.
 - 143 4. With the added challenges of COVID-19 in the City and nation, the HORIZON program
144 was a critical incentive to attract the necessary capital to develop projects downtown.
 - 145 5. The developer for Lots 1 and 11 said rates were low and market value had returned.
146 HORIZON would be an attractive incentive to his company to provide market rate
147 housing. It was an honor being part of a project conceived in the early 1960’s.
 - 148 6. The program was targeting exactly as it should on the long term. There were many tax
149 incentive programs that end in ten (10) years, HORIZON passed the ten (10) year
150 threshold. This was necessary to attract capital to build these jobs.
 - 151 7. There was concern with ensuring the projects worked well with local neighborhoods, but
152 most of the projects were not near housing, with the exception of Fitzwater.
 - 153 8. Downtown needed foot traffic and vertical builds will create density needed to spur retail.

154
155 Council reached consensus to place homeownership incentives on a Work Session agenda and to
156 move forward with HORIZON. Ms. Jackson needed her questions answered before supporting it.
157

158 **Motion to convene in Closed Session**

159

160 At 5:38 p.m. President Heath called for a motion to convene in Closed Session to consult with
161 counsel to obtain legal advice on a legal matter and to consult with staff, consultants, or other
162 individuals about pending or potential litigation in accordance with the Annotated Code of
163 Maryland §3-305(b)(7)(8).
164

165 Ms. Jackson moved, Ms. Blake seconded, and the vote was unanimous to enter into Closed
166 Session.
167

168 **Reconvene in Open Session / Report to Public**

169

170 At 6:00 p.m., upon a motion and seconded by Mr. Boda and Ms. Gregory, respectively, and
171 unanimously approved, the Closed Session adjourned. Council convened in Open Session and
172 President Heath reported that Council received an update on litigation and pending litigation.
173

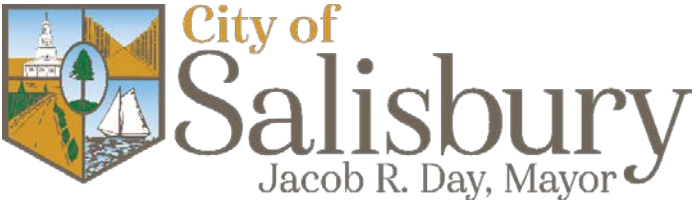
174 **Adjournment**

175

176 With no further business to discuss, the Open Session immediately adjourned.
177

178 _____
179 City Clerk

180 _____
181 _____
182 Council President



COUNCIL AGENDA – Department of Procurement

November 23, 2020

Award of Contract

- | | |
|--|----------------------------------|
| 1. ITB A-21-105 Water Meters & Metering Supplies | \$200,000 - \$300,000/yr. (est.) |
|--|----------------------------------|

Declaration of Surplus

- | | |
|--|--------|
| 1. Department of Field Operations – Vehicle WM-6 | \$0.00 |
|--|--------|



City of Salisbury

Jacob R. Day, Mayor

To: Mayor and City Council
From: Jennifer Miller
Director of Procurement
Date: November 23, 2020
Subject: Award of Contract

The Department of Procurement seeks to enter into a multi-year agreement to purchase water meters and metering supplies on behalf of the Department of Field Operations:

ITB A-21-105 Water Meters and Metering Supplies

- Scope of Work: Provide and deliver Neptune water meters and metering supplies to support the current water metering infrastructure for the City of Salisbury
- Vendor: Core and Main (Milton, DE)
- Notes:
 - Municipal Code 2.32.050.C.5, "Noncompetitive Negotiation - Sole Source Procurement"
 - Sole Source Justification and vendor letter, attached
 - Volume pricing on select registers and meters
 - Stock will be ordered as needed; no set quantity guaranteed or implied
 - Term: 1 year with two (2), one-year renewal options

The Department of Procurement hereby requests Council's approval to enter into a contract with the vendor as indicated.



MEMORANDUM

To: Jennifer Miller, Director of Procurement
CC: Tom Stevenson, Director of Field Operations
From: Brian Lewis, Utilities Superintendent
Subject: Multi-Year Agreement for Core & Main
Date: October 16, 2020

Field Operations, Utilities Dept. are requesting that we enter into a multi-year agreement with Core & Main for the purchasing of water meters and metering supplies.

Core & Main are an exclusive distributor to our region therefore all purchases must go through this sole source

The City of Salisbury's metering program consists of Neptune meters and technology, with the Neptune appurtenances able to only accept Neptune software and recording devices. Under GL account # 5819 last Fiscal year a total of \$286,196.70 were spent. Total so far this FY has been \$184,876.18.

With the average of 80 to 100 meter registers having to be replaced per reading, Utilities will need about \$200k to finish out the fiscal year at this time.

Thank you,

Brian Lewis
Superintendent of Field Operations, Utility Division



CITY OF SALISBURY
DEPARTMENT OF PROCUREMENT

SOLE SOURCE PURCHASE JUSTIFICATION

Questions about this form? Please call (410) 548-3190

SOLE SOURCE: The product or service is unique, meaning that only one vendor, to the best of the requestor's knowledge and belief, is capable of furnishing the product or service. A sole source justification is required for every purchase over the direct buy limit of \$2,000.00, and must be approved by the Director of Procurement prior to an order being placed. A thorough definition of sole source purchases is on the back of this form.

POLICY PURPOSE: It is the policy of the City of Salisbury to consistently purchase goods and services using full and open competition. The citizens of the City of Salisbury are best served when we make sound business decisions based on competitive bids or proposals. Early acquisition planning that includes the Department of Procurement can help to avoid delays and to facilitate effective market research. However, there may be instances when other than full and open competition may be justified. When a using agency determines that other than full and open competition is necessary or in the best interest of the City, appropriate justification for that course of action must be submitted to the Director of Procurement for approval in order to waive the competitive bid/proposal process.

Please provide the following information to document the sole source request. Attach additional pages as necessary.

Explain why the product or service requested is the only one that can satisfy your requirements, and why all alternatives are unacceptable. Be specific with regard to unique specifications, features, characteristics, requirements, capabilities, compatibility, and performance.
The City of Salisbury meter program consists of Neptune meters and technology. All Neptune appurtenances only accept Neptune software and recording devices.

Explain why this service provider, supplier, or manufacturer is the only practicably available source from which to obtain this product or service and describe efforts that were made to verify and confirm this. Obtain and include a letter from the manufacturer or vendor confirming claims of sole source provision, and a quote from the manufacturer or distributor.
Core & Main are an exclusive distributor to our region. We have a service contract with Core & Main for services & maintenance for our Neptune equipment (Meters, Transmitters, Software, and Receivers.)

Describe your efforts to identify other potential products or sources.
[Click here to enter text.](#)

Is there a grant or unique funding source that directs a specific source be used? If yes, please attach applicable portion.
No.

Will this purchase obligate the City to a particular vendor for future purchases (either in terms of maintenance that only this vendor will be able to perform and/or will purchasing this item will cause the City to need more like items in the future)?
Yes

STATEMENT OF NEED AND CERTIFICATION

Describe the negotiation efforts that have been made with the supplier to obtain the best possible price.

CoreMain only distributor. They provide us best price available.

I am aware that City procurement regulations require procurements to be done competitively whenever practicable. I am requesting a sole source procurement based on the following criteria: The statements I have made are complete and accurate, based on my professional judgment and investigations. I also certify that no personal advantage, gain, or privilege has (or will) accrue to me or my immediate family through the purchase from this vendor, nor is there a conflict of interest in any way with this request.

Submitted by: Brian Lewis Date: 9/22/2020
Signature of Individual Requesting Sole Source Purchase Justification

Printed Name: **BRIAN LEWIS** Department: **Field Operations/ Utilities.**

FOR PROCUREMENT USE ONLY

This situation as stated on this form and its attachments:

- ☒ Constitute a Sole Source Procurement ☐ Does NOT constitute a Sole Source Procurement
☐ There is insufficient information for justification

Comments to Requestor: Click here to enter text.

Signature: Jennifer Miller Date: 10.13.2020
Jennifer Miller, Director of Procurement

SOLE SOURCE JUSTIFICATION CRITERIA

The following list of criteria should be used in determining if a sole source situation exists:

1. Only one manufacturer makes the item meeting salient specifications; that manufacturer only sells directly or exclusively through one regional or national representative.
2. Item required must be identical to equipment already in use by the end user, to insure compatibility of equipment, and that item is only available from one source.
3. Collaborative project- Supplier is named by the funding source or interagency agreement where the identical equipment is required for compatibility and continuity.
4. Maintenance or repair calls by the original equipment manufacturer are required for a piece of equipment, and the manufacturer does not have multiple agents to perform these services.
5. Replacement or spare parts are required from the original equipment manufacturer, and the manufacturer does not have distributors for these parts.
6. Patented items or copyrighted materials, which are only available from the patent or copyright holder.
7. Unique expertise, background in recognized field of endeavor, the result of which may depend primarily on the individual's invention, imagination, or talent. Consultant has advanced or specialized knowledge, or expertise gained over an extensive period of time in a specialized field of experience.
8. A Market Survey has been conducted to determine whether other potential sources capable of satisfying the requirement exist. Market survey may be conducted by phone or in writing. The extent of the market survey depends on what constitutes a reasonable effort under the circumstances to ensure that competition is not feasible. A list of suppliers contacted, along with the reason why each supplier could not meet the requirement may justify a sole source purchase.

NOTE: An item being a "sole brand" or a "sole manufacturer" does not automatically qualify as a "sole source." Many manufacturers sell their products through distributors. Therefore, even if a purchase is identified as a valid "sole brand" or "sole manufacturer," the requestor should verify whether the manufacturer has multiple distributors. If multiple distributors for an item exist, competition should be sought among those distributors.



NEPTUNE
TECHNOLOGY GROUP INC.

April 2, 2020

To whom this may concern:

Neptune Technology Group Inc. sells and services Neptune meters, parts and AMR systems through trained and certified distributors throughout the United States and Canada.

Since reading systems are proprietary and they require dedicated meter system specialist to help them perform properly, it is imperative to have one master distributor in this region.

Core & Main, located in Martinsburg, WV is Neptune's exclusive distributor for the Virginia, West Virginia and Maryland markets.

Please let me know if I can be of further assistance.

Sincerely,

Jesse Loughney

Territory Manager- VA, WV, MD, DE

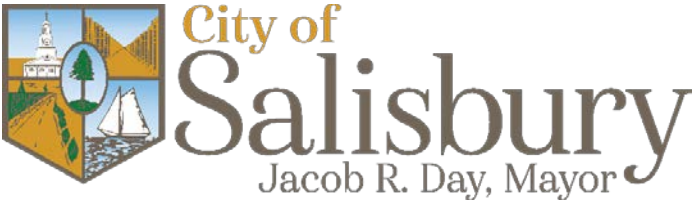


City of
Salisbury
Jacob R. Day, Mayor

To: Mayor and City Council
From: Jennifer Miller
Director of Procurement
Date: November 23, 2020
Subject: Declaration of Surplus
Department of Field Operations – Vehicle WM-6

The Department of Procurement received a request from the Department of Field Operations to declare a vehicle as surplus. This vehicle was involved in an accident which left it unable to be put into service. Vehicle identification information is on the attached departmental memo.

Upon declaration of surplus, as approved by Council, the City will receive insurance proceeds and the vehicle will be turned over to LGIT as salvage.



To: Jennifer Miller, Procurement, Director

From: Brian Lewis, Utility Division, Superintendent

Subject: Surplus Vehicle (WM-6)

Date: November 10, 2020

The Department of Field Operations (DFO), Utility Division is requesting that the WM-6 pick-up truck be declared as surplus and would like to release the title to the insurance company.

ID No.	Description	Year	Make	Model	VIN No.	Miles/Hrs.
WM-6	Pick-up	2008	Chevy	Colorado	1GCCS149388162014	65,461 Miles

This vehicle was in motor vehicle accident at the intersection of N. Salisbury Blvd. and E. Isabella St. on September 16, 2020 and was declared a total loss. DFO is requesting that the insurance adjustment from this vehicle in the amount of \$5,263.00 be transferred to the DFO Utility Division Equipment & Maintenance Account, 82076-546012 in which it will be used towards equipment within the FY'21 budget year through an Ordinance Budget Amendment.

cc: Tom Stevenson
Bill Sterling



MEMORANDUM

To: Julia Glanz
From: Tom Stevenson
Subject: 519 Delaware Ave. (Property Acquisition)
Date: September 14, 2020

The City of Salisbury owns real property situated at 500 Mack Avenue. This location serves as headquarters for the Department of Field Operations. To meet future growth needs, it is necessary to acquire contiguous property.

To accomplish this, attached please find a Resolution that will have the effect of authorizing the Mayor to enter into a contract with Twilley Construction, Inc. to purchase 519 Delaware Avenue.

Unless you have any questions or require additional information, please forward this information to the Mayor and Council for consideration.

RESOLUTION NO. 3076

A RESOLUTION OF THE CITY OF SALISBURY TO PURCHASE IMPROVED REAL PROPERTY, LOCATED AT 519 DELAWARE AVENUE, FROM TWILLEY CONSTRUCTION, INC. FOR USE BY THE DEPARTMENT OF FIELD OPERATIONS.

WHEREAS, the seller, Twilley Construction, Inc., owns improved residential property located at 519 Delaware Avenue, which was acquired by deed dated May 1, 1959 and recorded in the Wicomico County, Maryland Land Records in Liber J.W.T.S. No. 475, Folio 52; and

WHEREAS, the City of Salisbury owns the property adjacent to this property; and

WHEREAS, the Department of Field Operations utilizes the adjacent property owned by the City and desires to expand; and

WHEREAS, the City of Salisbury desires to purchase the property located at 519 Delaware Avenue to further meet the needs of the Department of Field Operations; and

WHEREAS, the attached Contract of Sale for the purchase of the property located at 519 Delaware Avenue is required to be authorized by the City Council, prior to signing, which affords protection to the City if issues related to the title, property condition, etc. cannot be remedied to the City's satisfaction before the City is obligated to complete the purchase.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Salisbury, Maryland does hereby authorize the signing of the attached Contract of Sale, further authorizes the purchase of the property located at 519 Delaware Avenue from Twilley Construction, Inc., for \$60,000 in accordance with the terms contained in the attached Contract of Sale and such other terms negotiated and approved by the City Solicitor. The purchase is contingent upon the City receiving clear title to the property.

THE ABOVE RESOLUTION was introduced, read and passed at the regular meeting of the Council of the City of Salisbury held on this ____ day of _____, 2020 and is to become effective immediately upon adoption.

ATTEST:

Kimberly R. Nichols
CITY CLERK

John R. Heath
PRESIDENT, City Council

APPROVED by me this ____ day of _____, 2020

Julia Glanz, City Administrator,
for and at the direction of Jacob R. Day, MAYOR

CONTRACT OF SALE

THIS CONTRACT OF SALE ("this Contract"), dated the ____ day of _____, 2020, between Twilley Construction, Inc., ("Seller"), whose address is PO Box 1591, Salisbury, MD 21802-1591 and City of Salisbury, Maryland ("Buyer"), whose address is 125 N. Division Street, Salisbury, MD 21801.

1. *The Property.* Seller sells to Buyer, and Buyer purchases from Seller, the real property located in City of Salisbury, Wicomico County, Maryland, and known as 519 Delaware Avenue, Salisbury, MD 21801, Map 0104, Grid 0013, Parcel 1857, together with all improvements and all the rights and appurtenances thereto. The property was acquired by the Seller by deed dated May 1, 1959 and is recorded in the Wicomico County land records, Liber J.W.T.S. No. 475, folio 52 and is hereinafter called the "Property."

2. *Purchase Price.* The purchase price for the Property is Sixty Thousand Dollars (\$60,000.00). A deposit of \$1,000 will be paid by the Buyer and held in escrow by Buyer's lawyer pending final settlement or final disposition of the Contract. The full purchase price shall be paid to Seller at Settlement.

3. *Time and Place of Settlement.* Settlement shall take place at tbd a.m./p.m. on the tbd day of tbd, 2020 at the office of Seidel, Baker & Tilghman, P.A., 110 N Division Street, Salisbury, MD, or at another convenient time and place within a reasonable time after clear title to the property is established.

4. *Deed to Property.* At Settlement, upon payment of the unpaid purchase money, a deed for the Property shall be executed at Buyer's expense. The deed shall be a special warranty deed.

5. *Possession.* Buyer shall be given possession of the Property at Settlement. Seller warrants that there are no other persons who are in current possession of the Property and that no other persons shall have rights to possession of the Property at the time of settlement.

6. *Recordation and Transfer Taxes.* All recordation taxes and state and local transfer taxes relating to the conveyance of the Property shall be paid as follows:

a) Buyer, if required by law, shall pay any state or county recordation and transfer taxes or fees or other costs imposed upon the recordation of the Deed.

b) Seller shall pay all taxes and fees relating to the recordation of any release of a mortgage, deed of trust, or other lien or encumbrance affecting the Property which is to be released or discharged at Closing.

7. *Real Estate Taxes.* Real estate taxes and similar public charges against the Property that are payable on an annual basis (including district, sanitary commission, or other benefit charges, assessments, liens, or encumbrances for sewer, water, drainage, or other public improvements completed or commenced on or prior to the date hereof or subsequent thereto)

shall be adjusted between the parties as of the date of Settlement and assumed and paid thereafter by Buyer.

8. *Risk of Loss.* The Property shall be held at the risk of Seller until Settlement hereunder.

9. *Buyer's Default.* If Buyer defaults in Buyer's obligation to purchase the Property, Seller shall have the right, at Seller's election, to retain all deposits paid hereunder as liquidated damages and not as a penalty, and upon such election, the parties shall be released from all further liability hereunder at law and in equity, except with respect to the provisions of this Contract which survive its termination.

10. *Real Estate Commission.* Each party warrants to the other that it has not used the services of a real estate broker or agent in connection with this transaction. Each party agrees to defend, indemnify, and hold the other party harmless for any claim for real estate commissions arising by reason of the indemnifying party's breach of this warranty. The provisions of this paragraph shall survive Settlement and the delivery of the deed to the Property or the termination of this Contract.

11. *Representations of Seller.* The Seller makes the following representations and warranties to the Buyer, which shall survive the Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

A. The Property, including the location of any buildings thereon, is correctly described above.

B. At Settlement there will be no contracts affecting the Property or any part thereof. At Settlement there will be no contracts or agreements for the management of the Property, or any part thereof, and there will be no leasing commission due or owing in connection with any lease or on account of any tenancy or occupancy of any portion of the Property.

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

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

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

F. To the best of the Seller's knowledge, all improvements on the Property lie within the boundaries on the Property above named and do not encroach on any other property or violate any setback requirements.

G. The Seller agrees that, from the date of this Agreement to the Settlement date, it will:

(i) Operate the Property only in the ordinary and usual manner and that it will not enter into any new lease or any renewal or amendment of any of the Leases without the prior written consent of the Buyer;

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

(iii) Maintain, at its expense, all existing fire and extended coverage policies covering the Property and promptly cause the Buyer to be named as an additional insured thereunder as its interest may appear. The herein described property is to be held at the risk of Seller until legal title has passed. Buyer may acquire additional insurance if it desires;

(iv) Use reasonable efforts to require any tenants occupying the Property to comply with all material obligations on their respective parts to be performed pursuant to their respective leases;

(v) Keep the Property in good condition and repair.

The consent of the Buyer to those matters specified in this paragraph 11.G. shall not be unreasonably withheld by Buyer.

12. Feasibility Studies.

12.1. *General.* Subject to the rights of any existing tenants, for a ninety (90) day period after the date of this Contract (the "Feasibility Period"), Buyer and its agents shall have the right to enter upon the Property at its sole risk for the purpose of inspecting the same and conducting surveys and other tests of surface and subsurface conditions, investigations, and feasibility studies. During such period the Seller shall furnish to the Buyer all information concerning the Property which the Buyer may reasonably request. The Buyer may, at its sole expense, make such engineering and other studies of the Property prior to the Settlement Date as it may deem necessary. Within a reasonable time after such entries Buyer shall restore the Property to its prior condition. Buyer shall defend, indemnify, and hold Seller harmless from and against any damage, liability, loss, deficiency, or expense (including attorneys' fees, court costs, and other expenses) resulting from, and will pay Seller upon demand the full amount of any sum Seller may be or become obligated to pay on account of, all obligations, liabilities, claims, accounts, demands, liens, or encumbrances, which result from acts, conduct, omissions, contracts, agreements, or commitments of Buyer or its agents, in any way related to or arising from the exercise by Buyer of the rights herein granted to enter the Property and conduct tests thereon. If during the Feasibility

Period Buyer shall determine that additional studies are needed, Buyer has the right to extend the Feasibility Period for an additional sixty (60) days or more if reasonably necessary to complete the required studies.

12.2. *Election to Proceed or Terminate.* If during the Feasibility Period Buyer shall determine, at its discretion, that the acquisition and development of the Property is not feasible, Buyer shall have the right, by written notice to Seller (the "Termination Notice"), to terminate this Contract prior to the expiration of the Feasibility Period. Upon receipt of the Termination Notice, this Contract shall terminate and thereupon the parties hereto shall be released from all further liability hereunder, at law and in equity, except as provided herein. If Buyer fails to give the Termination Notice on or before the expiration of the Feasibility Period, Buyer's right to terminate this Contract under this Section shall expire and Buyer shall thereafter be obligated to perform all of the terms, covenants, and provisions of this Contract to be performed by Buyer hereunder.

12.3. *Studies.* If Buyer terminates this Contract or defaults in its obligations hereunder, Buyer shall promptly deliver to Seller after the date of such termination or default, for no additional consideration, copies of all governmental permits and approvals, surveys, plats, soil tests, and engineering, environmental, architectural, and other reports, studies, and documents obtained by Buyer or its agents with respect to the Property.

13. *Delivery of Certain Materials to Buyer.* Promptly, but in no event later than ten (10) days following the date hereof, the Seller shall deliver to the Buyer the following:

- A. All surveys, engineering, environmental, or similar reports in the Seller's possession, custody, or control relating to the Property;
- B. Copies of any Leases, together with a summary of each Lease specifying (i) the tenant's name, (ii) the premises leased, (iii) the lease term (including any renewal rights), (iv) the rent and the date through which rent has been paid, (v) the extent of tenant's responsibility for the payment of utility costs, taxes and expense escalations, (vi) a listing of all concessions, rebates, allowances or free rent given to the tenant, and (vii) the amount of any security deposit held by the Seller with respect to the lease;
- C. Copies of all original building plans and specifications for the Property which are in the Seller's possession; and
- D. A listing of the Personal Property, together with a listing of all liens or security interests of others with respect thereto.

14. *Miscellaneous Adjustments and Prorations.* The following adjustments and prorations shall be made between the parties on the Settlement Date. The provisions of paragraph 14.A. shall survive Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

- A. All utilities shall be adjusted and apportioned as of the Settlement Date.

15. *Title and Subdivision.*

15.1. *Title Report.* Buyer shall obtain, at its expense, a title report covering the Property from a licensed title company, or person qualified to conduct a title search selected by Buyer. Buyer shall provide the title report to Seller on or before Settlement. Buyer shall give written notice to Seller of any title exception that is not acceptable to Buyer (the "Title Defect"). Seller shall have thirty (30) days from the receipt of Buyer's notice within which to determine whether to cure or remove the Title Defect or to terminate this Contract. If Seller elects to cure or remove the Title Defect, Seller shall do so by giving Buyer written notice of the election within the thirty (30) day period, otherwise Seller may elect to terminate this Contract. This Sales Contract and purchase is contingent on the property having a clear title and appropriation of funds made for Buyer's use and formal approval of the purchase by the City Council.

If Seller elects to terminate this Contract, the deposit shall be returned to Buyer, whereupon this Contract shall become null and void and of no further force and effect at law or in equity. If Seller elects not to terminate this Contract, Seller shall be required to convey the Property to Buyer at Settlement, with clear title. Buyer shall receive clear title to the Property unless Buyer solely decides to proceed to Settlement without title issues being resolved to its satisfaction before Settlement.

15.2. *Ground Rent.* If the title report discloses that the Property is subject to payment of a ground rent pursuant to a perpetually renewable ground rent lease, Buyer may object to the fact that the Property is subject to a ground rent or, if Seller agrees to reduce the purchase price of the Property by an amount equal to the annual ground rent capitalized at the rate of ten percent (10%) proceed with the purchase. If the Property is subject to such a ground rent and Buyer proceeds with purchase of the Property, Buyer is hereby placed on notice in accordance with Md. Real Prop. Ann. Code § 14-117, as amended, (the "Code") that if the ground rent is not timely paid the effect may be (a) that the reversionary owner of the ground rent may bring an action of ejectment against the ground rent tenant under § 8-402(b), as amended, of the Code, and (b) as a result of the ejectment action, the reversionary owner of the ground rent may own the Property in fee, discharged from the lease.

15.3. *Subdivision.* If either Seller or Buyer prior to Settlement shall make a good faith determination that for Seller legally to convey the Property to Buyer, an approved subdivision plat of the Property must first be recorded among the Land Records of the County/City (the "Land Records"), then neither party shall be obligated to proceed to Settlement unless Buyer, at Buyer's expense, prior to Settlement, obtains all necessary governmental approvals and records the subdivision plat of the Property among the Land Records at or prior to Settlement. Seller and Buyer shall each cooperate with the other in filing any necessary applications, and in the processing of the subdivision plat before the appropriate governmental agencies. If a subdivision plat is required, Buyer shall have the right to postpone Settlement if additional time is required for Buyer to obtain the necessary governmental approvals.

16. *Environmental Matters.* To the best of the knowledge of the Seller, as of the date of this Contract and as of the date of Settlement, the Property (including land, surface water, ground water, and improvements) is now and will then be free of all contamination, including (i) any "hazardous waste," "underground storage tanks" "petroleum," "regulated substance," or "used oil" as defined by the Solid Waste Disposal Act of 1976 (42 U.S.C. § 6901, *et seq.*) as amended, or by any regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, *et seq.*) as amended, or by any regulations promulgated thereunder (including, but not limited to, asbestos and radon); (iii) any "oil, petroleum products, and their byproducts" any "hazardous substance" as defined by the Maryland Environmental Code, Title 7, Subtitle 2, as amended, or by any regulations promulgated thereunder; (iv) any substance the presence of which on, in, or under the Property, is prohibited by any law similar to those set forth above; and (v) any other substance which by law, regulation, or ordinance requires special handling in its collection, storage, treatment, or disposal.

16.1. *Environmental Representations and Warranties.*

(a) Seller represents and warrants that (i) Seller has no knowledge of any Hazardous Material at, upon, under, or within the Property or, to the best of its knowledge, within any contiguous real estate; and (ii) Seller shall not cause or permit to exist any Hazardous Material at, upon, under, or within the Property until the Settlement date.

(b) Seller further represents and warrants that (i) neither Seller, nor any other party has been, is, or will be involved in operations at or near the Property, which operations could lead to (A) the imposition of liability under any Hazardous Material laws on Buyer, or any former owner of the Property; or (B) the creation of a lien on the Property under any Hazardous Material laws; and (ii) Seller has not permitted, and will not permit, any tenant or occupant of the Property to engage in any activity that could impose liability under any Hazardous Material laws on such tenant or occupant, on Seller or on any other owner of any of the Property.

16.2. *Environmental Covenants.*

(a) Seller shall comply strictly and in all respects with the requirements of any Hazardous Material laws and related regulations and shall notify Buyer immediately in the event of any discharge or discovery of any Hazardous Material at, upon, under, or within the Property before the Settlement date.

(b) Promptly upon the written request of Buyer, Seller shall provide Buyer with all past environmental site assessment or environmental audit reports to enable Buyer to assess the presence or absence of any Hazardous Material and the potential costs in connection with abatement, cleanup, or removal of any Hazardous Material found on, under, at, or within the Property.

16.3. *Indemnity.*

(a) Seller does hereby absolutely, unconditionally, and irrevocably indemnify and hold harmless Buyer from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges, and expenses, of any nature whatsoever suffered or incurred by Buyer, with respect to Seller's past use, or its tenants' use, during Seller's ownership of the Property for:

(i) any past discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property whether or not the same originates or emanates from the Property, including any loss of value of the Property as a result of any of the foregoing;

(ii) any costs of removal or remedial action incurred by the United States Government or any state, county, or municipal governmental authority, any response costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction, or loss, incurred pursuant to any Hazardous Material laws;

(iii) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at the Property; and

(iv) any other environmental matter affecting the Property within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state, county or municipal environmental agency.

(b) In the event of any discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property, whether or not the same originates or emanates from the Property, and/or if Seller shall fails to comply with any of the requirements of any Hazardous Material laws or related regulations or any other environmental law or regulation, Buyer may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Property and/or take any and all other actions as Buyer shall deem necessary or advisable in order to abate the discharge of any Hazardous Material, remove any Hazardous Material, or cure Seller's noncompliance.

(c) It is the intention of Seller that the provisions of this Agreement shall supersede any provisions herein, which in any way limit the personal liability of Seller and that Seller shall be personally liable for any obligations hereunder. All of the representations, warranties, covenants, and indemnities herein shall survive the transfer, if any, of any or all right, title, and interest in and to the Property by Seller.

(d) The term "Hazardous Material" means (i) any hazardous or toxic substance, material, or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and

amendments thereto and replacements therefor; or (ii) such substances, materials, or wastes as are regulated by the Resource Conservation and Recovery Act of 1976 or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, any amendments thereto or orders, regulations, directions, or requirements thereunder; or (iii) such hazardous or toxic substances, materials, or wastes that are or may become regulated under any other applicable county, municipal, state, or federal law, rule, ordinance, direction, or regulation.

17. Miscellaneous Provisions.

17.1. *Entire Agreement.* This Contract contains the final and entire agreement between the parties and neither they nor their agents shall be bound by any terms, conditions, or representations not herein written. However, the City of Salisbury Resolution approving the signing of this Contract may contain additional terms and conditions controlling the purchase of the Property.

17.2. *Joint and Several Liability.* If Buyer consists of more than one (1) person or entity, their liability under this Contract shall be both joint and several.

17.3. *Binding Agreement.* This Contract is binding on the parties and their personal representatives, successors, and assigns.

WITNESS the hands and seals of the parties.

WITNESS:

_____(SEAL)
Dale Dashiell, President
Twilley Construction, Inc.
Seller

WITNESS:

_____(SEAL)
Jacob R. Day, Mayor
City of Salisbury, Maryland
Buyer



City of
Salisbury
Jacob R. Day, Mayor

MEMORANDUM

To: Julia Glanz
From: Tom Stevenson
Subject: 601 W. Isabella St. (Property Acquisition)
Date: September 14, 2020

The City of Salisbury owns real property situated at 500 Mack Avenue. This location serves as headquarters for the Department of Field Operations. To meet future growth needs, it is necessary to acquire contiguous property.

To accomplish this, attached please find a Resolution that will have the effect of authorizing the Mayor to enter into a contract with Block Investment Group, LLC to purchase 601 W. Isabella Street.

Unless you have any questions or require additional information, please forward this information to the Mayor and Council for consideration.

RESOLUTION NO. 3077

A RESOLUTION OF THE CITY OF SALISBURY TO PURCHASE IMPROVED REAL PROPERTY, LOCATED AT 601 WEST ISABELLA STREET, FROM BLOCK INVESTMENT GROUP, LLC FOR USE BY THE DEPARTMENT OF FIELD OPERATIONS.

WHEREAS, the seller, Block Investment Group, LLC, owns real property located at 601 West Isabella Street, which was acquired by deed dated May 11, 2016 and recorded in the Wicomico County, Maryland land records in Liber M.S.B. No. 4006, Folio 21; and

WHEREAS, the City of Salisbury owns the property adjacent to this property; and

WHEREAS, the Department of Field Operations utilizes the adjacent property owned by the City and desires to expand; and

WHEREAS, the City of Salisbury desires to purchase the property located at 601 West Isabella Street to further meet the needs of the Department of Field Operations; and

WHEREAS, the attached Contract of Sale for the purchase of the property located at 601 West Isabella Street is required to be authorized by the City Council, prior to signing, which affords protection to the City if issues related to the title cannot be remedied to the City's satisfaction before the City is obligated to complete the purchase.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Salisbury, Maryland does hereby authorize the signing of the attached Contract of Sale, further authorizes the purchase of the property located at 601 West Isabella Street from Block Investment Group, LLC, for \$60,000 in accordance with the terms contained in the attached Contract of Sale and such other terms negotiated and approved by the City Solicitor. The purchase is contingent upon the City receiving clear title to the property.

THE ABOVE RESOLUTION was introduced, read and passed at the regular meeting of the Council of the City of Salisbury held on this ____ day of _____, 2020 and is to become effective immediately upon adoption.

ATTEST:

Kimberly R. Nichols
CITY CLERK

John R. Heath
PRESIDENT, City Council

APPROVED by me this ____ day of _____, 2020

Julia Glanz, City Administrator,
for and at the direction of Jacob R. Day, MAYOR

CONTRACT OF SALE

THIS CONTRACT OF SALE ("this Contract"), dated the ____ day of _____, 2020, between Block Investment Group, LLC, ("Seller"), whose address is 402 Bueclar Drive, Salisbury, MD 21801 and City of Salisbury, Maryland ("Buyer"), whose address is 125 N. Division Street, Salisbury, MD 21801.

1. *The Property.* Seller sells to Buyer, and Buyer purchases from Seller, the real property located in City of Salisbury, Wicomico County, Maryland, and known as 601 W Isabella Street, Salisbury, MD 21801, Map 0104, Grid 0019, Parcel 1861, together with all improvements and all the rights and appurtenances thereto. The property was acquired by the Seller by deed dated May 11, 2016 and is recorded in the Wicomico County land records, Liber M.S.B. No. 4006, folio 21 and is hereinafter called the "Property."

2. *Purchase Price.* The purchase price for the Property is Sixty Thousand Dollars (\$60,000.00). A deposit of \$1,000 will be paid by the Buyer and held in escrow by Buyer's lawyer pending final settlement or final disposition of the Contract. The full purchase price shall be paid to Seller at Settlement.

3. *Time and Place of Settlement.* Settlement shall take place at tbd a.m./p.m. on the tbd day of tbd, 2020 at the office of Seidel, Baker & Tilghman, P.A., 110 N Division Street, Salisbury, MD, or at another convenient time and place within a reasonable time after clear title to the property is established.

4. *Deed to Property.* At Settlement, upon payment of the unpaid purchase money, a deed for the Property shall be executed at Buyer's expense. The deed shall be a special warranty deed.

5. *Possession.* Buyer shall be given possession of the Property at Settlement. Seller warrants that there are no other persons who are in current possession of the Property and that no other persons shall have rights to possession of the Property at the time of settlement.

6. *Recordation and Transfer Taxes.* All recordation taxes and state and local transfer taxes relating to the conveyance of the Property shall be paid as follows:

a) Buyer, if required by law, shall pay any state or county recordation and transfer taxes or fees or other costs imposed upon the recordation of the Deed.

b) Seller shall pay all taxes and fees relating to the recordation of any release of a mortgage, deed of trust, or other lien or encumbrance affecting the Property which is to be released or discharged at Closing.

7. *Real Estate Taxes.* Real estate taxes and similar public charges against the Property that are payable on an annual basis (including district, sanitary commission, or other benefit charges, assessments, liens, or encumbrances for sewer, water, drainage, or other public improvements completed or commenced on or prior to the date hereof or subsequent thereto)

shall be adjusted between the parties as of the date of Settlement and assumed and paid thereafter by Buyer.

8. *Risk of Loss.* The Property shall be held at the risk of Seller until Settlement hereunder.

9. *Buyer's Default.* If Buyer defaults in Buyer's obligation to purchase the Property, Seller shall have the right, at Seller's election, to retain all deposits paid hereunder as liquidated damages and not as a penalty, and upon such election, the parties shall be released from all further liability hereunder at law and in equity, except with respect to the provisions of this Contract which survive its termination.

10. *Real Estate Commission.* Each party warrants to the other that it has not used the services of a real estate broker or agent in connection with this transaction. Each party agrees to defend, indemnify, and hold the other party harmless for any claim for real estate commissions arising by reason of the indemnifying party's breach of this warranty. The provisions of this paragraph shall survive Settlement and the delivery of the deed to the Property or the termination of this Contract.

11. *Representations of Seller.* The Seller makes the following representations and warranties to the Buyer, which shall survive the Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

A. The Property, including the location of any buildings thereon, is correctly described above.

B. At Settlement there will be no contracts affecting the Property or any part thereof. At Settlement there will be no contracts or agreements for the management of the Property, or any part thereof, and there will be no leasing commission due or owing in connection with any lease or on account of any tenancy or occupancy of any portion of the Property.

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

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

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

F. To the best of the Seller's knowledge, all improvements on the Property lie within the boundaries on the Property above named and do not encroach on any other property or violate any setback requirements.

G. The Seller agrees that, from the date of this Agreement to the Settlement date, it will:

(i) Operate the Property only in the ordinary and usual manner and that it will not enter into any new lease or any renewal or amendment of any of the Leases without the prior written consent of the Buyer;

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

(iii) Maintain, at its expense, all existing fire and extended coverage policies covering the Property and promptly cause the Buyer to be named as an additional insured thereunder as its interest may appear. The herein described property is to be held at the risk of Seller until legal title has passed. Buyer may acquire additional insurance if it desires;

(iv) Use reasonable efforts to require any tenants occupying the Property to comply with all material obligations on their respective parts to be performed pursuant to their respective leases;

(v) Keep the Property in good condition and repair.

The consent of the Buyer to those matters specified in this paragraph 11.G. shall not be unreasonably withheld by Buyer.

12. *Delivery of Certain Materials to Buyer.* Promptly, but in no event later than ten (10) days following the date hereof, the Seller shall deliver to the Buyer the following:

A. All surveys, engineering, environmental, or similar reports in the Seller's possession, custody, or control relating to the Property;

B. Copies of any Leases, together with a summary of each Lease specifying (i) the tenant's name, (ii) the premises leased, (iii) the lease term (including any renewal rights), (iv) the rent and the date through which rent has been paid, (v) the extent of tenant's responsibility for the payment of utility costs, taxes and expense escalations, (vi) a listing of all concessions, rebates, allowances or free rent given to the tenant, and (vii) the amount of any security deposit held by the Seller with respect to the lease;

C. Copies of all original building plans and specifications for the Property which are in the Seller's possession; and

D. A listing of the Personal Property, together with a listing of all liens or security interests of others with respect thereto.

13. *Miscellaneous Adjustments and Prorations.* The following adjustments and prorations shall be made between the parties on the Settlement Date. The provisions of paragraph 13.A. shall survive Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

A. All utilities shall be adjusted and apportioned as of the Settlement Date.

14. *Title and Subdivision.*

14.1. *Title Report.* Buyer shall obtain, at its expense, a title report covering the Property from a licensed title company, or person qualified to conduct a title search selected by Buyer. Buyer shall provide the title report to Seller on or before Settlement. Buyer shall give written notice to Seller of any title exception that is not acceptable to Buyer (the "Title Defect"). Seller shall have thirty (30) days from the receipt of Buyer's notice within which to determine whether to cure or remove the Title Defect or to terminate this Contract. If Seller elects to cure or remove the Title Defect, Seller shall do so by giving Buyer written notice of the election within the thirty (30) day period, otherwise Seller may elect to terminate this Contract. This Sales Contract and purchase is contingent on the property having a clear title and appropriation of funds made for Buyer's use and formal approval of the purchase by the City Council.

If Seller elects to terminate this Contract, the deposit shall be returned to Buyer, whereupon this Contract shall become null and void and of no further force and effect at law or in equity. If Seller elects not to terminate this Contract, Seller shall be required to convey the Property to Buyer at Settlement, with clear title. Buyer shall receive clear title to the Property unless Buyer solely decides to proceed to Settlement without title issues being resolved to its satisfaction before Settlement.

14.2. *Ground Rent.* If the title report discloses that the Property is subject to payment of a ground rent pursuant to a perpetually renewable ground rent lease, Buyer may object to the fact that the Property is subject to a ground rent or, if Seller agrees to reduce the purchase price of the Property by an amount equal to the annual ground rent capitalized at the rate of ten percent (10%) proceed with the purchase. If the Property is subject to such a ground rent and Buyer proceeds with purchase of the Property, Buyer is hereby placed on notice in accordance with Md. Real Prop. Ann. Code § 14-117, as amended, (the "Code") that if the ground rent is not timely paid the effect may be (a) that the reversionary owner of the ground rent may bring an action of ejectment against the ground rent tenant under § 8-402(b), as amended, of the Code, and (b) as a result of the ejectment action, the reversionary owner of the ground rent may own the Property in fee, discharged from the lease.

14.3. *Subdivision.* If either Seller or Buyer prior to Settlement shall make a good faith determination that for Seller legally to convey the Property to Buyer, an approved subdivision plat of the Property must first be recorded among the Land Records of the County/City (the "Land

Records"), then neither party shall be obligated to proceed to Settlement unless Buyer, at Buyer's expense, prior to Settlement, obtains all necessary governmental approvals and records the subdivision plat of the Property among the Land Records at or prior to Settlement. Seller and Buyer shall each cooperate with the other in filing any necessary applications, and in the processing of the subdivision plat before the appropriate governmental agencies. If a subdivision plat is required, Buyer shall have the right to postpone Settlement if additional time is required for Buyer to obtain the necessary governmental approvals.

15. *Environmental Matters.* To the best of the knowledge of the Seller, as of the date of this Contract and as of the date of Settlement, the Property (including land, surface water, ground water, and improvements) is now and will then be free of all contamination, including (i) any "hazardous waste," "underground storage tanks" "petroleum," "regulated substance," or "used oil" as defined by the Solid Waste Disposal Act of 1976 (42 U.S.C. § 6901, *et seq.*) as amended, or by any regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, *et seq.*) as amended, or by any regulations promulgated thereunder (including, but not limited to, asbestos and radon); (iii) any "oil, petroleum products, and their byproducts" any "hazardous substance" as defined by the Maryland Environmental Code, Title 7, Subtitle 2, as amended, or by any regulations promulgated thereunder; (iv) any substance the presence of which on, in, or under the Property, is prohibited by any law similar to those set forth above; and (v) any other substance which by law, regulation, or ordinance requires special handling in its collection, storage, treatment, or disposal.

15.1. *Environmental Representations and Warranties.*

(a) Seller represents and warrants that (i) Seller has no knowledge of any Hazardous Material at, upon, under, or within the Property or, to the best of its knowledge, within any contiguous real estate; and (ii) Seller shall not cause or permit to exist any Hazardous Material at, upon, under, or within the Property until the Settlement date.

(b) Seller further represents and warrants that (i) neither Seller, nor any other party has been, is, or will be involved in operations at or near the Property, which operations could lead to (A) the imposition of liability under any Hazardous Material laws on Buyer, or any former owner of the Property; or (B) the creation of a lien on the Property under any Hazardous Material laws; and (ii) Seller has not permitted, and will not permit, any tenant or occupant of the Property to engage in any activity that could impose liability under any Hazardous Material laws on such tenant or occupant, on Seller or on any other owner of any of the Property.

15.2. *Environmental Covenants.*

(a) Seller shall comply strictly and in all respects with the requirements of any Hazardous Material laws and related regulations and shall notify Buyer immediately in the event of any discharge or discovery of any Hazardous Material at, upon, under, or within the Property before the Settlement date.

(b) Promptly upon the written request of Buyer, Seller shall provide Buyer with all past environmental site assessment or environmental audit reports to enable Buyer to assess the presence or absence of any Hazardous Material and the potential costs in connection with abatement, cleanup, or removal of any Hazardous Material found on, under, at, or within the Property.

15.3. *Indemnity.*

(a) Seller does hereby absolutely, unconditionally, and irrevocably indemnify and hold harmless Buyer from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges, and expenses, of any nature whatsoever suffered or incurred by Buyer, with respect to Seller's past use, or its tenants' use, during Seller's ownership of the Property for:

(i) any past discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property whether or not the same originates or emanates from the Property, including any loss of value of the Property as a result of any of the foregoing;

(ii) any costs of removal or remedial action incurred by the United States Government or any state, county, or municipal governmental authority, any response costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction, or loss, incurred pursuant to any Hazardous Material laws;

(iii) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at the Property; and

(iv) any other environmental matter affecting the Property within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state, county or municipal environmental agency.

(b) In the event of any discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property, whether or not the same originates or emanates from the Property, and/or if Seller shall fails to comply with any of the requirements of any Hazardous Material laws or related regulations or any other environmental law or regulation, Buyer may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Property and/or take any and all other actions as Buyer shall deem necessary or advisable in order to abate the discharge of any Hazardous Material, remove any Hazardous Material, or cure Seller's noncompliance.

(c) It is the intention of Seller that the provisions of this Agreement shall supersede any provisions herein, which in any way limit the personal liability of Seller and that Seller shall be personally liable for any obligations hereunder. All of the representations, warranties, covenants, and indemnities herein shall survive the transfer, if any, of any or all right, title, and interest in and to the Property by Seller.

(d) The term "Hazardous Material" means (i) any hazardous or toxic substance, material, or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto and replacements therefor; or (ii) such substances, materials, or wastes as are regulated by the Resource Conservation and Recovery Act of 1976 or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, any amendments thereto or orders, regulations, directions, or requirements thereunder; or (iii) such hazardous or toxic substances, materials, or wastes that are or may become regulated under any other applicable county, municipal, state, or federal law, rule, ordinance, direction, or regulation.

16. Miscellaneous Provisions.

16.1. *Entire Agreement.* This Contract contains the final and entire agreement between the parties and neither they nor their agents shall be bound by any terms, conditions, or representations not herein written. However, the City of Salisbury Resolution approving the signing of this Contract may contain additional terms and conditions controlling the purchase of the Property.

16.2. *Joint and Several Liability.* If Buyer consists of more than one (1) person or entity, their liability under this Contract shall be both joint and several.

16.3. *Binding Agreement.* This Contract is binding on the parties and their personal representatives, successors, and assigns.

WITNESS the hands and seals of the parties.

WITNESS:

_____(SEAL)
Lyndon H. Wright, President
Block Investment Group, LLC
Seller

WITNESS:

(SEAL)

Jacob R. Day, Mayor
City of Salisbury, Maryland
Buyer



City of
Salisbury
Jacob R. Day, Mayor

MEMORANDUM

To: Julia Glanz
From: Tom Stevenson
Subject: 605 W. Isabella St. (Property Acquisition)
Date: September 14, 2020

The City of Salisbury owns real property situated at 500 Mack Avenue. This location serves as headquarters for the Department of Field Operations. To meet future growth needs, it is necessary to acquire contiguous property.

To accomplish this, attached please find a Resolution that will have the effect of authorizing the Mayor to enter into a contract with St. Fleur Family Investments, LLC to purchase 605 W. Isabella Street.

Unless you have any questions or require additional information, please forward this information to the Mayor and Council for consideration.

RESOLUTION NO. 3078

A RESOLUTION OF THE CITY OF SALISBURY TO PURCHASE IMPROVED REAL PROPERTY, LOCATED AT 605 WEST ISABELLA STREET, FROM ST. FLEUR FAMILY INVESTMENTS, LLC FOR USE BY THE DEPARTMENT OF FIELD OPERATIONS.

WHEREAS, the seller, St. Fleur Family Investments, LLC, owns improved residential property located at 605 West Isabella Street, which was acquired by deed dated April 9, 2009 and recorded in the Wicomico County, Maryland Land Records in Liber M.S.B. No. 3036, Folio 249; and

WHEREAS, the City of Salisbury owns the property adjacent to this property; and

WHEREAS, the Department of Field Operations utilizes the adjacent property owned by the City and desires to expand; and

WHEREAS, the City of Salisbury desires to purchase the property located at 605 West Isabella Street to further meet the needs of the Department of Field Operations; and

WHEREAS, the attached Contract of Sale for the purchase of the property located at 605 West Isabella Street is required to be authorized by the City Council, prior to signing, which affords protection to the City if issues related to the title, property condition, etc. cannot be remedied to the City's satisfaction before the City is obligated to complete the purchase.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Salisbury, Maryland does hereby authorize the signing of the attached Contract of Sale, further authorizes the purchase of the property located at 605 West Isabella Street from St. Fleur Family Investments, LLC, for \$60,000 in accordance with the terms contained in the attached Contract of Sale and such other terms negotiated and approved by the City Solicitor. The purchase is contingent upon the City receiving clear title to the property.

THE ABOVE RESOLUTION was introduced, read and passed at the regular meeting of the Council of the City of Salisbury held on this ____ day of _____, 2020 and is to become effective immediately upon adoption.

ATTEST:

Kimberly R. Nichols
CITY CLERK

John R. Heath
PRESIDENT, City Council

APPROVED by me this ____ day of _____, 2020

Julia Glanz, City Administrator,
for and at the direction of Jacob R. Day, MAYOR

CONTRACT OF SALE

THIS CONTRACT OF SALE ("this Contract"), dated the 25th day of August, 2020, between St. Fleur Family Investments, LLC ("Seller"), whose address is PO Box 4501, Salisbury, MD 21803 and City of Salisbury, Maryland ("Buyer"), whose address is 125 N. Division Street, Salisbury, MD 21801.

1. *The Property.* Seller sells to Buyer, and Buyer purchases from Seller, the real property located in City of Salisbury, Wicomico County, Maryland, and known as 605 West Isabella Street, Salisbury, MD 21801, Map 0104, Grid 0019, Parcel 1862, together with all improvements and all the rights and appurtenances thereto. The property was acquired by the Seller by deed dated April 9, 2009 and is recorded in the Wicomico County land records, Liber M.S.B. No. 3036, Folio 249 and by a Confirmatory Deed dated May 29, 2009 and recorded in Liber M.S.B. No. 3065, Folio 14, and is hereinafter called the "Property."

2. *Purchase Price.* The purchase price for the Property is Sixty Thousand Dollars (\$60,000.00). A deposit of \$1,000 will be paid by the Buyer and held in escrow by Buyer's lawyer pending final settlement or final disposition of the Contract. The full purchase price shall be paid to Seller at Settlement.

3. *Time and Place of Settlement.* Settlement shall take place at tbd a.m./p.m. on the tbd day of tbd, 2020 at the office of Seidel, Baker & Tilghman, P.A., 110 N Division Street, Salisbury, MD, or at another convenient time and place within a reasonable time after clear title to the property is established.

4. *Deed to Property.* At Settlement, upon payment of the unpaid purchase money, a deed for the Property shall be executed at Buyer's expense. The deed shall be a special warranty deed.

5. *Possession.* Buyer shall be given possession of the Property at Settlement. Seller warrants that ~~there are no other~~ persons who are in current possession of the Property and that no other persons shall have rights to possession of the Property at the time of settlement. *will move out prior to settlement* HS

6. *Recordation and Transfer Taxes.* All recordation taxes and state and local transfer taxes relating to the conveyance of the Property shall be paid as follows:

a) Buyer, if required by law, shall pay any state or county recordation and transfer taxes or fees or other costs imposed upon the recordation of the Deed.

b) Seller shall pay all taxes and fees relating to the recordation of any release of a mortgage, deed of trust, or other lien or encumbrance affecting the Property which is to be released or discharged at Closing.

7. *Real Estate Taxes.* Real estate taxes and similar public charges against the Property that are payable on an annual basis (including district, sanitary commission, or other benefit charges,

assessments, liens, or encumbrances for sewer, water, drainage, or other public improvements completed or commenced on or prior to the date hereof or subsequent thereto) shall be adjusted between the parties as of the date of Settlement and assumed and paid thereafter by Buyer.

8. *Risk of Loss.* The Property shall be held at the risk of Seller until Settlement hereunder.

9. *Buyer's Default.* If Buyer defaults in Buyer's obligation to purchase the Property, Seller shall have the right, at Seller's election, to retain all deposits paid hereunder as liquidated damages and not as a penalty, and upon such election, the parties shall be released from all further liability hereunder at law and in equity, except with respect to the provisions of this Contract which survive its termination.

10. *Real Estate Commission.* Each party warrants to the other that it has not used the services of a real estate broker or agent in connection with this transaction. Each party agrees to defend, indemnify, and hold the other party harmless for any claim for real estate commissions arising by reason of the indemnifying party's breach of this warranty. The provisions of this paragraph shall survive Settlement and the delivery of the deed to the Property or the termination of this Contract.

11. *Representations of Seller.* The Seller makes the following representations and warranties to the Buyer, which shall survive the Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

A. The Property, including the location of any buildings thereon, is correctly described above.

B. At Settlement there will be no contracts affecting the Property or any part thereof. At Settlement there will be no contracts or agreements for the management of the Property, or any part thereof, and there will be no leasing commission due or owing in connection with any lease or on account of any tenancy or occupancy of any portion of the Property.

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

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

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

F. To the best of the Seller's knowledge, all improvements on the Property lie within the boundaries on the Property above named and do not encroach on any other property or violate any setback requirements.

G. The Seller agrees that, from the date of this Agreement to the Settlement date, it will:

(i) Operate the Property only in the ordinary and usual manner and that it will not enter into any new lease or any renewal or amendment of any of the Leases without the prior written consent of the Buyer;

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

(iii) Not cancel (except for nonpayment of rent or other material breach), modify, or amend any of the Leases or accept the surrender thereof, without the prior written consent of the Buyer;

(iv) Maintain, at its expense, all existing fire and extended coverage policies covering the Property and promptly cause the Buyer to be named as an additional insured thereunder as its interest may appear. The herein described property is to be held at the risk of Seller until legal title has passed. Buyer may acquire additional insurance if it desires;

(v) Use reasonable efforts to require any tenants occupying the Property to comply with all material obligations on their respective parts to be performed pursuant to their respective leases;

(vi) Keep the Property in good condition and repair.

The consent of the Buyer to those matters specified in this paragraph 11.G. shall not be unreasonably withheld by Buyer.

12. *Feasibility Studies.*

12.1. *General.* Subject to the rights of any existing tenants, for a ninety (90) day period after the date of this Contract (the "Feasibility Period"), Buyer and its agents shall have the right to enter upon the Property at its sole risk for the purpose of inspecting the same and conducting surveys and other tests of surface and subsurface conditions, investigations, and feasibility studies. During such period the Seller shall furnish to the Buyer all information concerning the Property which the Buyer may reasonably request. The Buyer may, at its sole expense, make such engineering and other studies of the Property prior to the Settlement Date as it may deem necessary. Within a reasonable time after such entries Buyer shall restore the Property to its prior condition. Buyer shall defend, indemnify, and hold Seller harmless from and against any damage, liability, loss, deficiency, or expense (including attorneys' fees, court costs, and other expenses)

resulting from, and will pay Seller upon demand the full amount of any sum Seller may be or become obligated to pay on account of, all obligations, liabilities, claims, accounts, demands, liens, or encumbrances, which result from acts, conduct, omissions, contracts, agreements, or commitments of Buyer or its agents, in any way related to or arising from the exercise by Buyer of the rights herein granted to enter the Property and conduct tests thereon. If during the Feasibility Period Buyer shall determine that additional studies are needed, Buyer has the right to extend the Feasibility Period for an additional sixty (60) days or more if reasonably necessary to complete the required studies.

12.2. *Election to Proceed or Terminate.* If during the Feasibility Period Buyer shall determine, at its discretion, that the acquisition and development of the Property is not feasible, Buyer shall have the right, by written notice to Seller (the "Termination Notice"), to terminate this Contract prior to the expiration of the Feasibility Period. Upon receipt of the Termination Notice, this Contract shall terminate and thereupon the parties hereto shall be released from all further liability hereunder, at law and in equity, except as provided herein. If Buyer fails to give the Termination Notice on or before the expiration of the Feasibility Period, Buyer's right to terminate this Contract under this Section shall expire and Buyer shall thereafter be obligated to perform all of the terms, covenants, and provisions of this Contract to be performed by Buyer hereunder.

12.3. *Studies.* If Buyer terminates this Contract or defaults in its obligations hereunder, Buyer shall promptly deliver to Seller after the date of such termination or default, for no additional consideration, copies of all governmental permits and approvals, surveys, plats, soil tests, and engineering, environmental, architectural, and other reports, studies, and documents obtained by Buyer or its agents with respect to the Property.

13. *Delivery of Certain Materials to Buyer.* Promptly, but in no event later than ten (10) days following the date hereof, the Seller shall deliver to the Buyer the following:

A. All surveys, engineering, environmental, or similar reports in the Seller's possession, custody, or control relating to the Property;

B. Copies of any Leases, together with a summary of each Lease specifying (i) the tenant's name, (ii) the premises leased, (iii) the lease term (including any renewal rights), (iv) the rent and the date through which rent has been paid, (v) the extent of tenant's responsibility for the payment of utility costs, taxes and expense escalations, (vi) a listing of all concessions, rebates, allowances or free rent given to the tenant, and (vii) the amount of any security deposit held by the Seller with respect to the lease;

C. Copies of all original building plans and specifications for the Property which are in the Seller's possession; and

D. A listing of the Personal Property, together with a listing of all liens or security interests of others with respect thereto.

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shall be made between the parties on the Settlement Date. The provisions of paragraph 14.A. shall survive Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

A. All utilities shall be adjusted and apportioned as of the Settlement Date.

15. Title and Subdivision.

15.1. *Title Report.* Buyer shall obtain, at its expense, a title report covering the Property from a licensed title company, or person qualified to conduct a title search selected by Buyer. Buyer shall provide the title report to Seller on or before Settlement. Buyer shall give written notice to Seller of any title exception that is not acceptable to Buyer (the "Title Defect"). Seller shall have thirty (30) days from the receipt of Buyer's notice within which to determine whether to cure or remove the Title Defect or to terminate this Contract. If Seller elects to cure or remove the Title Defect, Seller shall do so by giving Buyer written notice of the election within the thirty (30) day period, otherwise Seller may elect to terminate this Contract. This Sales Contract and purchase is contingent on the property having a clear title and appropriation of funds made for Buyer's use and formal approval of the purchase by the City Council.

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15.3. *Subdivision.* If either Seller or Buyer prior to Settlement shall make a good faith determination that for Seller legally to convey the Property to Buyer, an approved subdivision plat of the Property must first be recorded among the Land Records of the County/City (the "Land Records"), then neither party shall be obligated to proceed to Settlement unless Buyer, at Buyer's expense, prior to Settlement, obtains all necessary governmental approvals and records the subdivision plat of the Property among the Land Records at or prior to Settlement. Seller and Buyer shall each cooperate with the other in filing any necessary applications, and in the processing of the subdivision plat before the appropriate governmental agencies. If a subdivision plat is required, Buyer

shall have the right to postpone Settlement if additional time is required for Buyer to obtain the necessary governmental approvals.

16. *Environmental Matters.* To the best of the knowledge of the Seller, as of the date of this Contract and as of the date of Settlement, the Property (including land, surface water, ground water, and improvements) is now and will then be free of all contamination, including (i) any "hazardous waste," "underground storage tanks" "petroleum," "regulated substance," or "used oil" as defined by the Solid Waste Disposal Act of 1976 (42 U.S.C. § 6901, *et seq.*) as amended, or by any regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, *et seq.*) as amended, or by any regulations promulgated thereunder (including, but not limited to, asbestos and radon); (iii) any "oil, petroleum products, and their byproducts" any "hazardous substance" as defined by the Maryland Environmental Code, Title 7, Subtitle 2, as amended, or by any regulations promulgated thereunder; (iv) any substance the presence of which on, in, or under the Property, is prohibited by any law similar to those set forth above; and (v) any other substance which by law, regulation, or ordinance requires special handling in its collection, storage, treatment, or disposal.

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(b) Seller further represents and warrants that (i) neither Seller, nor any other party has been, is, or will be involved in operations at or near the Property, which operations could lead to (A) the imposition of liability under any Hazardous Material laws on Buyer, or any former owner of the Property; or (B) the creation of a lien on the Property under any Hazardous Material laws; and (ii) Seller has not permitted, and will not permit, any tenant or occupant of the Property to engage in any activity that could impose liability under any Hazardous Material laws on such tenant or occupant, on Seller or on any other owner of any of the Property.

16.2. *Environmental Covenants.*

(a) Seller shall comply strictly and in all respects with the requirements of any Hazardous Material laws and related regulations and shall notify Buyer immediately in the event of any discharge or discovery of any Hazardous Material at, upon, under, or within the Property before the Settlement date.

(b) Promptly upon the written request of Buyer, Seller shall provide Buyer with all past environmental site assessment or environmental audit reports to enable Buyer to assess the presence or absence of any Hazardous Material and the potential costs in connection with abatement, cleanup, or removal of any Hazardous Material found on, under, at, or within the Property.

16.3. *Indemnity.*

(a) Seller does hereby absolutely, unconditionally, and irrevocably indemnify and hold harmless Buyer from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges, and expenses, of any nature whatsoever suffered or incurred by Buyer, with respect to Seller's past use, or its tenants' use, during Seller's ownership of the Property for:

(i) any past discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property whether or not the same originates or emanates from the Property, including any loss of value of the Property as a result of any of the foregoing;

(ii) any costs of removal or remedial action incurred by the United States Government or any state, county, or municipal governmental authority, any response costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction, or loss, incurred pursuant to any Hazardous Material laws;

(iii) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at the Property; and

(iv) any other environmental matter affecting the Property within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state, county or municipal environmental agency.

(b) In the event of any discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property, whether or not the same originates or emanates from the Property, and/or if Seller shall fails to comply with any of the requirements of any Hazardous Material laws or related regulations or any other environmental law or regulation, Buyer may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Property and/or take any and all other actions as Buyer shall deem necessary or advisable in order to abate the discharge of any Hazardous Material, remove any Hazardous Material, or cure Seller's noncompliance.

(c) It is the intention of Seller that the provisions of this Agreement shall supersede any provisions herein, which in any way limit the personal liability of Seller and that Seller shall be personally liable for any obligations hereunder. All of the representations, warranties, covenants, and indemnities herein shall survive the transfer, if any, of any or all right, title, and interest in and to the Property by Seller.

(d) The term "Hazardous Material" means (i) any hazardous or toxic substance, material, or waste, including, but not limited to, those substances, materials, and wastes listed in

the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto and replacements therefor; or (ii) such substances, materials, or wastes as are regulated by the Resource Conservation and Recovery Act of 1976 or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, any amendments thereto or orders, regulations, directions, or requirements thereunder; or (iii) such hazardous or toxic substances, materials, or wastes that are or may become regulated under any other applicable county, municipal, state, or federal law, rule, ordinance, direction, or regulation.

17. Miscellaneous Provisions.


17.1. *Entire Agreement.* This Contract contains the final and entire agreement between the parties and neither they nor their agents shall be bound by any terms, conditions, or representations not herein written. However, the City of Salisbury Resolution approving the signing of this Contract may contain additional terms and conditions controlling the purchase of the Property.

17.2. *Joint and Several Liability.* If Buyer consists of more than one (1) person or entity, their liability under this Contract shall be both joint and several.

17.3. *Binding Agreement.* This Contract is binding on the parties and their personal representatives, successors, and assigns.

WITNESS the hands and seals of the parties.

WITNESS:


_____

(SEAL)
Hebrew St. Fleur, Managing Member
St. Fleur Family Investments, LLC
Seller

WITNESS:

(SEAL)
Jacob R. Day, Mayor
City of Salisbury, Maryland
Buyer



City of
Salisbury
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator
From: Amanda Pollack, P.E., Director of Infrastructure and Development
Date: November 3, 2020
Re: The Ross Developers Agreement

AP

First Move Properties, LLC, the developer of 130/132/144 East Main Street, is seeking modifications to the Developer's Agreement for The Ross Development. The Developer's Agreement was approved via Resolution No. 2990 on January 13, 2020. The Resolution authorized the Mayor to negotiate and sign an agreement that is substantially similar to the one presented at that time. The Resolution and draft agreement from January is attached for reference.

The changes requested by First Move Properties include:

1. Defining First Move as the owners of the properties.
2. Increasing the number of parking permits from 256 to 278.
3. Increasing the length of the term of the agreement.
4. Increasing the length of the renewal term of the agreement.
5. Defining that the price for each parking permit shall be the established Student Rate charged by the City for that fiscal year.
6. Adding a clause for the cancellation of the agreement.
7. Modifying the effective dates of the agreement.

The City has added language that states that permits for anyone other than students shall be charged at the applicable City rate. Additionally, the Developer shall maintain a list of all students receiving parking permits that reside in the building, The list is subject to audit by the City.

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

AS AMENDED ON JANUARY 13, 2020
RESOLUTION NO. 2990

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH FIRST MOVE PROPERTIES, LLC FOR THE PURCHASE OF PARKING PERMITS IN THE DOWNTOWN PARKING GARAGE, ~~TO GRANT A TEMPORARY CONSTRUCTION EASEMENT AND PERPETUAL 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, the attached Developer's Agreement details the agreement between the City of Salisbury and First Move Properties regarding parking spaces in the garage; ~~and~~

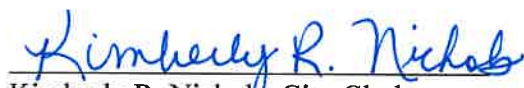
~~WHEREAS, First Move Properties, LLC requires easements across real property owned by the City of Salisbury in order to improve the properties identified as 130 E. Main Street and 132 E. Main Street, City of Salisbury, to create a walkway from the property to the City of Salisbury parking garage; and~~

~~WHEREAS, the attached Deed of Easement and the attached Temporary Construction Easement and Perpetual 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 agreement ~~and easements~~ with First Move Properties, LLC that ~~are~~ is substantially similar to the attached Developer's Agreement, ~~Temporary Construction and Perpetual Maintenance Easement and Deed of Easement~~, with such other terms and conditions as may be required by the City Solicitor.

THIS RESOLUTION was duly passed at a meeting of the Council of the City of Salisbury held on January 13, 2020, and is to become effective immediately upon adoption.

ATTEST:


Kimberly R. Nichols, City Clerk


John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS:

21ST day of JAN, 2020


Jacob R. Day, Mayor

DEVELOPER'S AGREEMENT

THIS DEVELOPER'S AGREEMENT ("Agreement"), is dated this 21ST day of January 2020, by and between the *City of Salisbury, Maryland*, a municipal corporation of the State of Maryland (the "**City**"), and *First Move Properties, LLC*, a Maryland limited liability company ("**First Move**") (the City and First 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 Seven Hundred Three (703) 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"; 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 that the long-term viability of the FMP Project is contingent upon adequate public parking for the FMP Tenants;

WHEREAS, in order to provide adequate public parking for the FMP Tenants, First Move desires to ensure its ability to purchase up to two hundred fifty-six (256) parking permits for parking within the Downtown Parking Garage for the use of 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 that two hundred fifty-six (256) parking spots are normally available for use by potential FMP Tenants;

WHEREAS, in consideration of the foregoing, the City agrees, on an annual basis, to make available up to two hundred fifty-six (256) 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. **Term.** The term of this Agreement shall commence on the date and year first above written and shall continue for a term of three years (the "**Initial Term**").

a. 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 either party provides written notice, at least ninety (90) days prior to the end of the Initial Term or any Renewal Term, as the case may be, specifying the party'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)).

b. In the absence of such written notice from either party, 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.

c. The City retains the right to suspend this Agreement without notice in the event of an emergency (including but not limited to damage to the Downtown Parking Garage which prohibits the safe use of the structure), or upon written notice following a determination by the City that the Downtown Parking Garage is in need of renovation or maintenance or that replacement of the garage is necessary. In the event of suspension of this Agreement, the Grantor will offer alternative parking permits to Grantee in other City locations to be determined by the Grantor.

2. **Parking Spaces.** Beginning with the execution of this Agreement and continuing for the duration of the Term, the City shall issue up to two hundred fifty-six (256) parking permits to First Move, authorizing the holders thereof to use appropriate and available parking spaces in the Downtown Parking Garage for public parking, by tenants of First Move in accordance with the provisions of Sections 3 and 5. (Any and all municipal parking permits purchased by First Move for use by its Tenants as contemplated by this Agreement are hereinafter referred to as the “**Parking Garage Permits**”).

3. **Purchase of the Parking Garage Permits.** Beginning with the execution of this Agreement, and on or before September 1st of each Fiscal Year thereafter during the Term, First Move shall purchase the number of Parking Garage Permits that 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 that the City shall have no obligation whatsoever to reserve more than two hundred fifty-six (256) Parking Garage Permits for purchase by First Move.

4. **Purchase Price of Parking Garage Permits.** The purchase price for each Parking Garage Permit reserved for purchase by First Move shall be in that amount determined annually by the City in connection with the municipal budget adopted by the City Council and approved by the Mayor .

5. The City does not guarantee the availability of parking spaces in the Downtown Parking Garage for any permit holder. The permits issued are a license to park in any appropriate and available parking space. The issuance of the permit does not entitle the holder to a reserved space or the right to park at all times. All spaces are available on a first come first served basis.

6. **Miscellaneous.**

(a) **Authority.** 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, constitute 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) **Waiver - Amendments.** 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) **Severability.** 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) **Construction.** 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.

(g) **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) **Waiver of Jury Trial.** 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) **Recitals.** 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.

7. **Non-Appropriation.**

In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year, any funding required by the City in this Agreement shall terminate on the last day for which appropriations were received by the City, without penalty or expense to the City.

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.

WITNESS/ATTEST:

THE CITY:

Kimberly R. Nichol

City of Salisbury, Maryland

By: Jacob R. Day (SEAL)
Jacob R. Day, Mayor

FIRST MOVE:

First Move Properties, LLC

By: _____ (SEAL)
Nicholas R. Simpson, Managing Member

RESOLUTION No. 3079

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH FIRST MOVE PROPERTIES, LLC FOR THE PURCHASE OF PARKING PERMITS IN THE DOWNTOWN PARKING GARAGE.

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, the attached Developer's Agreement details the agreement between the City of Salisbury and First Move Properties regarding parking spaces in the garage; and

WHEREAS, a Developer's Agreement was approved via Resolution No. 2990 which was adopted on January 13, 2020; and

WHEREAS, modifications to the Developer's Agreement were discussed at a City Council work session on November 16, 2020 and the amended version is attached.

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 agreement with First Move Properties, LLC that is substantially similar to the attached Developer's Agreement with such other terms and conditions as may be required by the City Solicitor.

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

ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS:

_____ day of _____, 2020

Julia Glanz, City Administrator
for and at the direction of
Jacob R. Day, Mayor

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 "**City**"), and *First Move Properties, LLC*, a Maryland limited liability company ("**First Move**") (the City and First 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 Seven Hundred Three (703) 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", 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, First Move is the owner of all those certain lots and parcels of 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 858 and Map 0107, Grid 0015, Parcel 878, and being in all respects the same lots and parcels of real property conveyed by Salisbury Area Chamber of Commerce, Inc. unto First Move, by Deed dated January 21, 2020 and recorded among the Land Records of Wicomico County, Maryland in Liber 4589, folio 188 (said lots and parcel of real property is 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 a leasing office on the first floor, fifty-three (53) luxury-style apartments on the second through twelfth floors and a commercial retail space on the roof-top (the said twelve-story structure First Move plans to construct at the E. Main Properties is hereinafter referred to as the “**Ross Building**”);

WHEREAS, First Move plans to redevelop the Chamber Property by constructing a six-story structure thereon, which, when complete, will consist of thirty-three (33), two and 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-three (53) residential apartments within the Ross Building are designed to provide housing for a maximum of one hundred seventy (170) tenants, and, the thirty three (33) residential apartments within the Chamber Building are designed to provide housing for a maximum of one hundred thirty (130) tenants, thus, when complete, the FMP Project is intended to provide luxury-style apartment housing for a maximum of three hundred (300) 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 that the long-term viability of the FMP Project is contingent upon adequate public parking for the FMP Tenants;

WHEREAS, in order to provide adequate public parking for the FMP Tenants, First Move desires to reserve and otherwise make available two hundred seventy-eight (278) parking permits for parking within the Downtown Parking Garage for the use of 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 that no less than two hundred seventy-eight (278) parking spots are normally available for use by potential FMP Tenants;

WHEREAS, in consideration of the foregoing, the City agrees, on an annual basis, to reserve two hundred seventy-eight (278) 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. Term. The term of this Agreement shall commence on July 1, 2022 and shall continue for a term of eight (8) years (i.e. July 1, 2022 – June 30, 2030) (the “**Initial Term**”).

(a) The term of this Agreement shall automatically renew for successive terms of four (4) years (each such additional term of four (4) years is hereinafter referred to as a “**Renewal Term**”), unless the City or First Move provides written notice to other party 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 the 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).)

(b) In the absence of such written notice from the City or First Move, the Initial Term or such applicable Renewal Term, as the case may be, shall automatically renew for the Renewal Term as aforesaid upon the same terms and conditions set forth herein.

(c) The City retains the right to suspend this Agreement without notice in the event of an emergency (including but not limited to damage to the Downtown Parking Garage which prohibits the safe use of the structure), or upon written notice following a determination by the City that the Downtown Parking Garage is in need of renovation or maintenance or that replacement of the garage is necessary. In the event of suspension of this Agreement, the City will offer alternative parking permits to First Move in other City locations to be determined by the City.

2. **Parking Spaces.** Beginning on July 1, 2022 and continuing for the duration of the Term, the City shall reserve two hundred seventy-eight (278) parking permits, authorizing the holders thereof to use appropriate and available parking spaces in the Downtown Parking Garage for public parking, for purchase by First Move, on behalf of the FMP Tenants, in accordance with the provisions of Sections 3 and 5. (Any and all 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 July 10, 2022, and on or before July 10th of each Fiscal Year thereafter during the Term, First Move shall purchase the number of Parking Garage Permits that 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 that the City shall have no obligation whatsoever to reserve more than two hundred seventy-eight (278) 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 seventy-eight (278) 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 default purchase price for a Parking Garage Permit authorizing the holder thereof to park at the Downtown Parking Garage shall be the Student Rate charged by the City for the applicable Fiscal Year. Permits for anyone other than students shall be at the applicable City rate.

All student rate permits shall be distributed exclusively to residents of the Ross who are full-time students at Salisbury University, UMES (University of Maryland, Eastern Shore) or Wor-Wic Community College. Developer shall retain a list of all permits distributed and the identity of the recipient of each student permit. Developer will be responsible for collecting and keeping proof of each students’ eligibility, annually. The City has the right, but not the obligation, to audit the parking records at any time.

No student parking permits will be distributed to anyone, except as authorized herein, nor shall they be utilized by Developer, its employees or guests. Any improper use of a student permit will obligate the Developer to reimburse the City for the difference between the student rate and the highest rate applicable in the Downtown Parking Garage.

5. **No Guarantee of Parking Spots in Downtown Parking Garage.** The City does not guarantee the availability of parking spaces in the Downtown Parking Garage for any permit holder. The permits issued are a license to park in any appropriate and available parking space. The issuance of the permit does not entitle the holder to a reserved space or the right to park at all times. All spaces are available on a first come first served basis.

6. **Miscellaneous.**

(a) **Authority.** 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, constitute 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) **Waiver - Amendments.** 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) **Severability.** 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) **Construction.** 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.

(g) **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) **Waiver of Jury Trial.** 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) **Recitals.** 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.

7. **Cancellation of Agreement.** Notwithstanding any term to the contrary set forth herein, the Parties expressly acknowledge and agree that, in the event First Move has not obtained a Certificate of Occupancy for each of the Ross Building and the Chamber Building by August 1, 2023 this Agreement shall terminate immediately and shall be of no force and effect.

8. **Non-Appropriation.** In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any Fiscal Year, any funding required by the City in this Agreement shall terminate on the last day for which appropriations were received by the City, without penalty or expense to the City.

9. **Effective Date.** This Agreement shall be deemed effective as of the date and year first above written, which shall be the later of the following dates: (a) the date this Agreement is executed by First Move; or, (b) the date this Agreement is executed by the City.

**[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 Developer's Agreement as of the date and year referenced below.

WITNESS/ATTEST:

THE CITY:

City of Salisbury, Maryland

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

Date: _____, _____, 2020

FIRST MOVE:

First Move Properties, LLC

By: _____ (SEAL)
Nicholas R. Simpson, Managing Member

Date: _____, _____, 2020

MEMORANDUM

To: City Council

From: Andy Kitzrow, Deputy City Administrator

Subject: HORIZON program (Local real property tax credit)

Date: November 17, 2020

Here is summary of the HORIZON program.

Program Goals

The primary goal of the program is to accelerate the construction or expansion of hotel or multifamily residential development in the Central Business Zoning District and Riverfront Redevelopment Zoning Districts (Exhibit 1) spurring economic activity in Downtown Salisbury. Also, the program aims to:

- Add new jobs to the Downtown workforce by providing spaces, culture and an environment that will be attractive to new companies and promote local growth.
- Attract private capital investments into the Central Business District and Riverfront Redevelopment Districts by funding large scale development projects that increase the assessed value of real property in Downtown by millions of dollars.

Tax Abatement Program Comparison

Specific Program requirements by the City of Salisbury	HORIZON	PILOT	TIF (District)	Enterprise Zone	RISE Zone
Eligible to be combined with other local, state, and federal incentive programs.	X	X	X	X	X
Applies to Target Areas: Central Business District & Riverfront Redevelopment Districts	X	X	X	X	
Includes tax abatement for the development of market rate residential property and/or hotels	X*	X*	X		
Abatement "schedule" is capable of being greater than 10 years – (A request of several local developers.)	X	X	X		
The program has <u>no</u> restrictions on use of <u>new</u> tax revenues collected from the development.	X	X		X	
All identified development projects** are eligible for the program (i.e. the program is universal).	X	X		X	
The "tax credit schedule" is uniform and all qualified projects must receive identical terms streamlining the approval process.	X			X	

**Requires state enabling legislation*

***The City has identified 6 development projects/sites - The Ross, Salisbury Town Center, SBY Market Center, Marina Landing, "500 Riverside", Downtown Lofts*

Program Eligibility Highlights

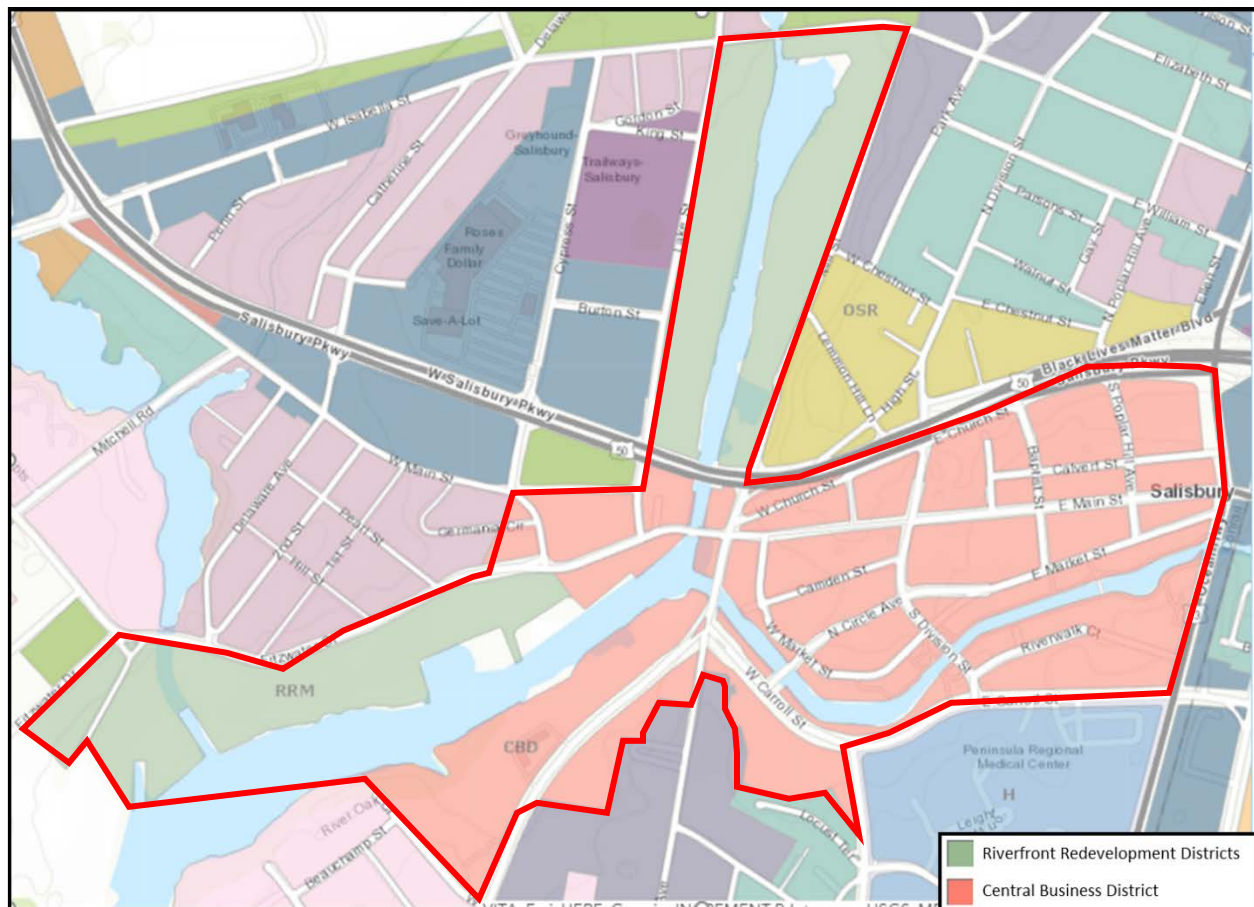
MEMORANDUM

- The project location is within one or more of the following Zoning Districts: Central Business District and/or Riverfront Redevelopment Districts and constitutes new development, rehab or revitalization of an existing building or property (Map attached)
- The project must serve primarily as a multifamily residential development or a hotel as defined in the City's annotated code.
- Upon completion, the project will increase the assessed value of the real property base value by at least \$10,000,000.00.

Tax Credit Schedule Twenty (20) year term as follows:

Tax Billing Year	Real Property Tax Credit
Years 1 to 5	100%
Years 6 to 10	80%
Years 11 to 15	60%
Years 16 to 20	40%

Exhibit 1



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WHEREAS, the City seeks to incentivize the construction and expansion of business interests in and near the Downtown area, specifically the Central Business Zoning District and Riverfront Redevelopment Zoning Districts as adopted in the via Resolution No. 2600 in the Envision Salisbury Master Plan in order to increase the amount of economic activity in those areas; and

WHEREAS, the City has developed a proposed ordinance and HORIZON Program Application, submitted with this resolution and attached as Exhibits A and B, with specific requirements that shall be monitored, administered and modified by the Department of Infrastructure and Development in order to ensure that all information and submissions are correct and properly considered; and

WHEREAS, Upon the approval and adoption by the Maryland State General Assembly to permit this type of tax credit program, the City will support and pursue legislation to implement the HORIZON program.

BE IT FURTHER RESOLVED THAT, copies of this Resolution be sent to the Maryland State General Assembly in support of legislation to enable the passage of an ordinance by the City to authorize the implementation of the HORIZON program.

The above resolution was introduced, read and duly passed at the regular meeting of the Council of the City of Salisbury held on the ____ day of _____, 2020, and is to become effective immediately.

48 ATTEST:

49

50

51 _____
52 Kimberly R. Nichols, City Clerk

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John R. Heath, President
Salisbury City Council

55 Approved by me this ____ day of _____, 2020

56

57

58 _____
Julia Glanz, City Administrator, for and
at the direction of Jacob R. Day, Mayor

EXHIBIT A



HORIZON Program (Hotel Or Residential Incentive Zone)

Guidelines and Application

Department of Infrastructure & Development
Room 202
125 N. Division Street
Salisbury, Maryland 21801

Phone: 833-SBY-CITY

October 2020

HORIZON Program Guidelines and Application – 2020

The HORIZON Program is a real property tax credit program. The primary goal of the program is to accelerate the construction or expansion of hotel or multifamily residential development in the Central Business Zoning District and Riverfront Redevelopment Zoning Districts (Exhibit 1), and to increase economic activity in Downtown Salisbury. Additionally, the program aims to:

- Add new jobs to the Downtown workforce by providing spaces, culture and an environment that will be attractive to new companies and promote local growth.
- Attract private capital investments into the Central Business District and Riverfront Redevelopment Districts by supporting large scale development projects that increase the assessed value of real property in Downtown Salisbury.

Eligibility for HORIZON Program Real Property Tax Credit

A developer may submit written documentation to the Director of Infrastructure & Development to establish eligibility for a project if the project meets all of the following criteria:

1. The project must be located within one or more of the following Zoning Districts: Central Business District and/or Riverfront Redevelopment Districts, and must constitute new development, rehabilitation or revitalization of an existing building or property.
2. The project must serve primarily (75% of total square footage) as a multifamily residential development or a hotel as defined in the City's Municipal Code.
3. Upon completion, the project must increase the assessed value of the real property by at least \$10,000,000.00. If the master plan of the total projected is "phased", each phase must meet the eligibility requirements independently.
4. The project must comply with all applicable Zoning and Building Codes.
5. The project must be consistent with the Envision Salisbury Master Plan adopted via Resolution No. 2600, dated March 17, 2016, and the adopted Comprehensive Plan of the City of Salisbury.
6. The project must comply with all requirements of the Salisbury Historic District Commission (Exhibit 2).
7. The project must not have received a certificate of occupancy before January 1, 2021.

General Conditions

1. Applicants must comply with all Horizon Program guidelines and conditions.
2. Applicants must comply with the 'Envision Salisbury Master Plan' proposal for the area in which the development is located.
3. Applicant must be the owner of a development project to apply for the HORIZON program.

4. Properties and owners must be current on all City, County, State, and Federal property and income taxes and remain current throughout the tax credit term. Failure to comply will result in suspension of the tax credit during any period of non-compliance and, at the discretion of the City Council, may result in termination of the HORIZON Agreement and the forfeiture of tax credits for the remainder of the Tax Credit Schedule. Reimbursement of tax credits received during any period of non-compliance will be required and, to the fullest extent permitted by law, shall be a lien on the property for which the HORIZON tax credit was requested.
5. Project building permits must be received within the schedule defined in the HORIZON Program Agreement.
6. All construction work must comply with applicable laws, ordinances, building codes and zoning ordinances.
7. The HORIZON program application must include drawings made to the specifications required by the Director of the Department of Infrastructure and Development which demonstrate what the proposed project will look like when completed and show it will be in full compliance with the requirements of the program. An appraisal (of the real property once development is completed) will be obtained from a qualified professional appraiser approved by the City of Salisbury.
8. The property owner shall not deviate from the original HORIZON application or change the intended use of the property (i.e. switch residential units into retail space). Doing so without the approval of the Director of the Department of Infrastructure and Development and approval of the Council will disqualify the development for the tax credit.
9. It is expressly agreed that applicants shall be solely responsible for all safety conditions and compliance with all safety regulations, building codes, ordinances, and other regulations applicable to any projects for which a tax credit is sought under the HORIZON program.
10. It is expressly understood and agreed that applicants will not seek to hold the City of Salisbury, its agents, employees, officers and/or directors liable for any property damage, personal injury, or other loss related in any way to the HORIZON program.
11. Applicants shall be responsible for hiring and executing an agreement with a general contractor who is licensed to operate in the State of Maryland. Applicants shall ensure that said contractor provides insurance coverage for comprehensive public liability, property damage liability / builder's risk, and workers' compensation.
12. Applicants must certify that there are no hazardous materials located on the property, that they will not cause or allow any hazardous materials to be placed on the property, and that the property is in compliance with all applicable Federal, State, and local environmental laws and regulations.

13. Applicants shall maintain or cause to be maintained both property and commercial general liability coverage on the Project and the Property both during and after the construction/rehabilitation related to the HORIZON program.
14. If the project is located in the 100-year floodplain, as designated by FEMA and the United States Department of Housing and Urban Development (HUD), applicants shall be required to provide evidence of flood plain insurance coverage.
15. Following the completion of the project, applicants shall ensure that all necessary approvals for the commencement of the activities that will take place on the property, including all applicable permits and licenses, have been obtained.
16. Having met all other requirements to receive a building permit, applicants must begin construction no later than 1 year after the date that the City Council formally adopts the Resolution consenting to the development project, or pursuant the schedule as set forth in the HORIZON Program Agreement.
17. Applicants must secure their certificate of occupancy no later than 2 years after the date that the building permit is issued, or per the schedule as defined in the HORIZON Program Agreement.
18. Applicants agree to maintain the property and improvements and otherwise comply with the Municipal Code of the City of Salisbury.
19. Applicants authorize the City of Salisbury to promote an approved HORIZON project. Such promotion may include, but is not limited to displaying a sign at the site during and after construction, and using photographs and descriptions of the project in its materials and press releases.
20. The City of Salisbury shall have the right to refuse tax credits to the owner if the City believes the work is unsatisfactory, the construction project is not being completed according to the approved HORIZON application and the executed HORIZON Program Agreement, or the increased assessed value of the real property does not meet the eligibility requirements.

Tax Credit Schedule

1. The tax credit will be calculated on the increased assessed value of the real property after completion of the project. The full amount of taxes shall be collected on the assessed value of the property prior to beginning the project (including demolition of pre-existing improvements), or the assessed value of the real property without improvements, whichever will result in the higher tax to be paid. Taxes shall also be collected on the increased assessed value, described above, minus any applicable credit throughout the duration of the twenty (20) year term.
2. The tax credit may be combined with other local, state, and federal incentive programs. The credit will not supersede state or federal incentive programs and will be applied after those incentive programs have been applied to the real property tax bill.

3. Once a certificate of occupancy has been issued and the real property has been appraised and its increased assessed value established, the real property tax credit will take effect during the next fiscal year tax billing cycle.
4. Tax credit in each year will be that percentage set forth in the table below of the excess taxes due over and above the assessed value of the property prior to the beginning of the project (including demolition of pre-existing improvements), or the assessed value of the real property without improvements, whichever will result in the higher tax to be paid. The tax credit schedule is as follows:

Tax Billing Year	Real Property Tax Credit
Years 1 to 5	100%
Years 6 to 10	80%
Years 11 to 15	60%
Years 16 to 20	40%

Tax Credit Process

- 1) Tax credits will be applied to City of Salisbury real property tax bills issued on an annual basis. Remaining balances will be due as scheduled.
- 2) Properties must be current on all City, County, State, and Federal property and income taxes. All tax credits will be suspended unless and until the property's owners and tenants are current on all City, County and State property and income taxes.
- 3) Once initiated, the Tax Credit Schedule will run for the entire term of twenty (20) years unless the owner becomes delinquent in paying the aforementioned taxes or fails to meet the eligibility requirements or general conditions of this program.

Requirements for Application for HORIZON Tax Credit

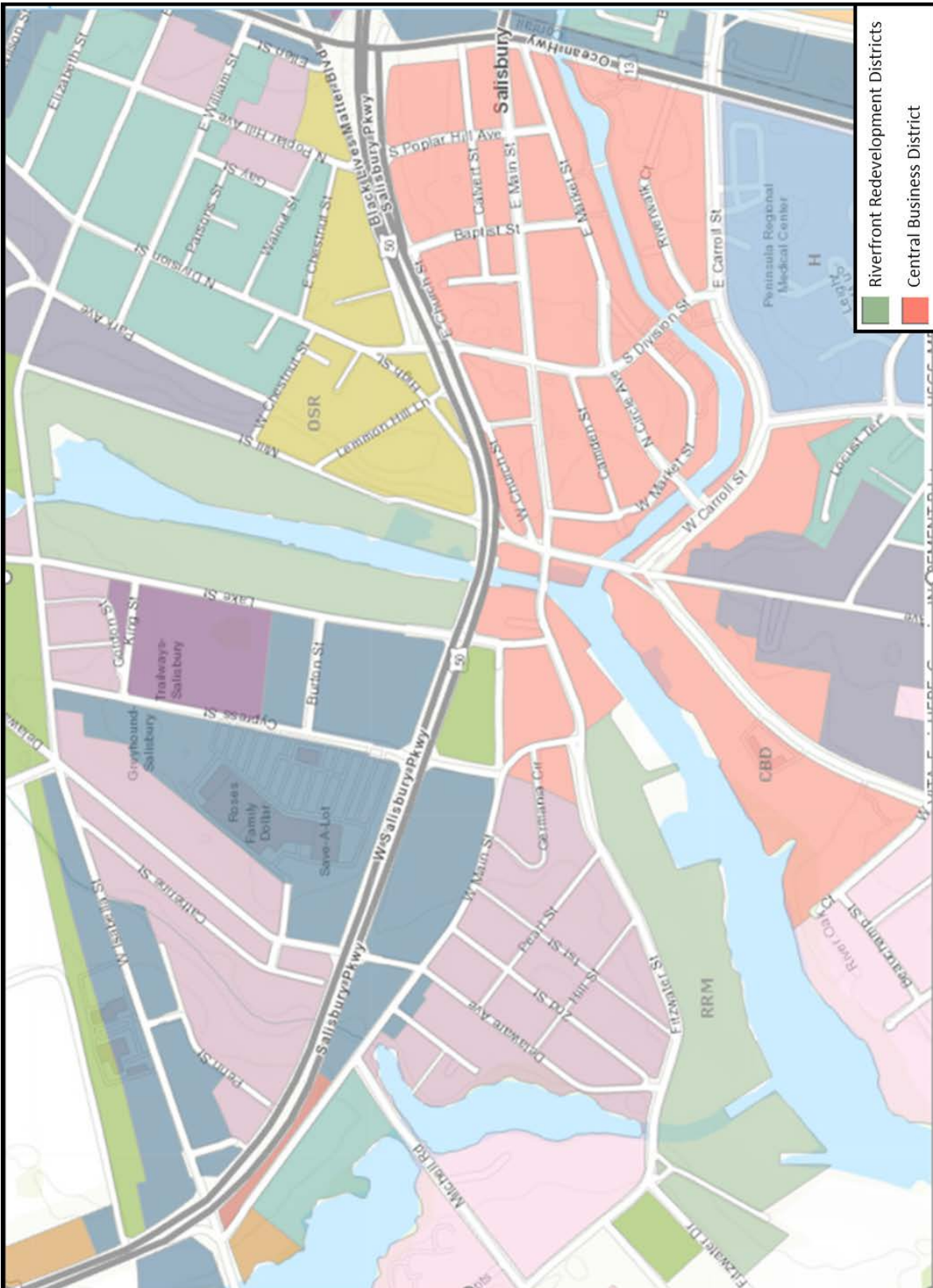
1. Interested applicants must meet with the Department of Infrastructure & Development staff to review the program and project specifications.
2. Applications are due after preliminary site plan approval by the Department of Infrastructure & Development and prior to issuance of grading/site permits.
3. One copy of the completed application shall be submitted in paper form to the Department of Infrastructure & Development and an electronic copy shall also be emailed to infdev@salisbury.md .
Portions of the application may be kept confidential by completing a Nondisclosure Agreement upon request and providing specific reasons for the request. Applicants should be aware that any Maryland public information act requests may result in information marked "confidential" being released if not protected information under Maryland law.
4. **IMPORTANT NOTE:** HORIZON applications must be received, reviewed and confirmed as complete by the Department of Infrastructure & Development staff PRIOR to the certificate of occupancy being issued.

5. The Director of Infrastructure & Development will issue an official Notice of Pre-Approval in the form of a Letter of Intent to be signed by the applicant. Included with the Letter of Intent will be a preliminary Tax Credit Summary and a proposed draft HORIZON Program Agreement. Applicants must agree to the negotiated terms within 30 days of receipt of these documents.
6. Once the Letter of Intent has been signed, the application, and recommendation will be forwarded to the Mayor for his/her pre-approval.
7. Once the Mayor has pre-approved the project for real property tax credit, a Resolution supporting the tax credit and proposed draft HORIZON Program Agreement will be presented at a City Council Work Session and subsequently (if approved) sent to a City Council Legislative Session for approval.
8. Department of Infrastructure & Development staff will finalize the HORIZON Program Agreement for the applicants, which must be executed within 15 days of receipt. Program Agreements are valid for one (1) calendar year from the signature date. If projects are delayed or the schedule defined in the agreement is not met, then applicants may request a 1-year extension which will be considered by the Mayor.
9. Applicants agree to adhere to the development schedules included in their application submission, in the HORIZON Program Agreement, and any Land Disposition Agreements/Contracts approved by the City.

Exhibit 1

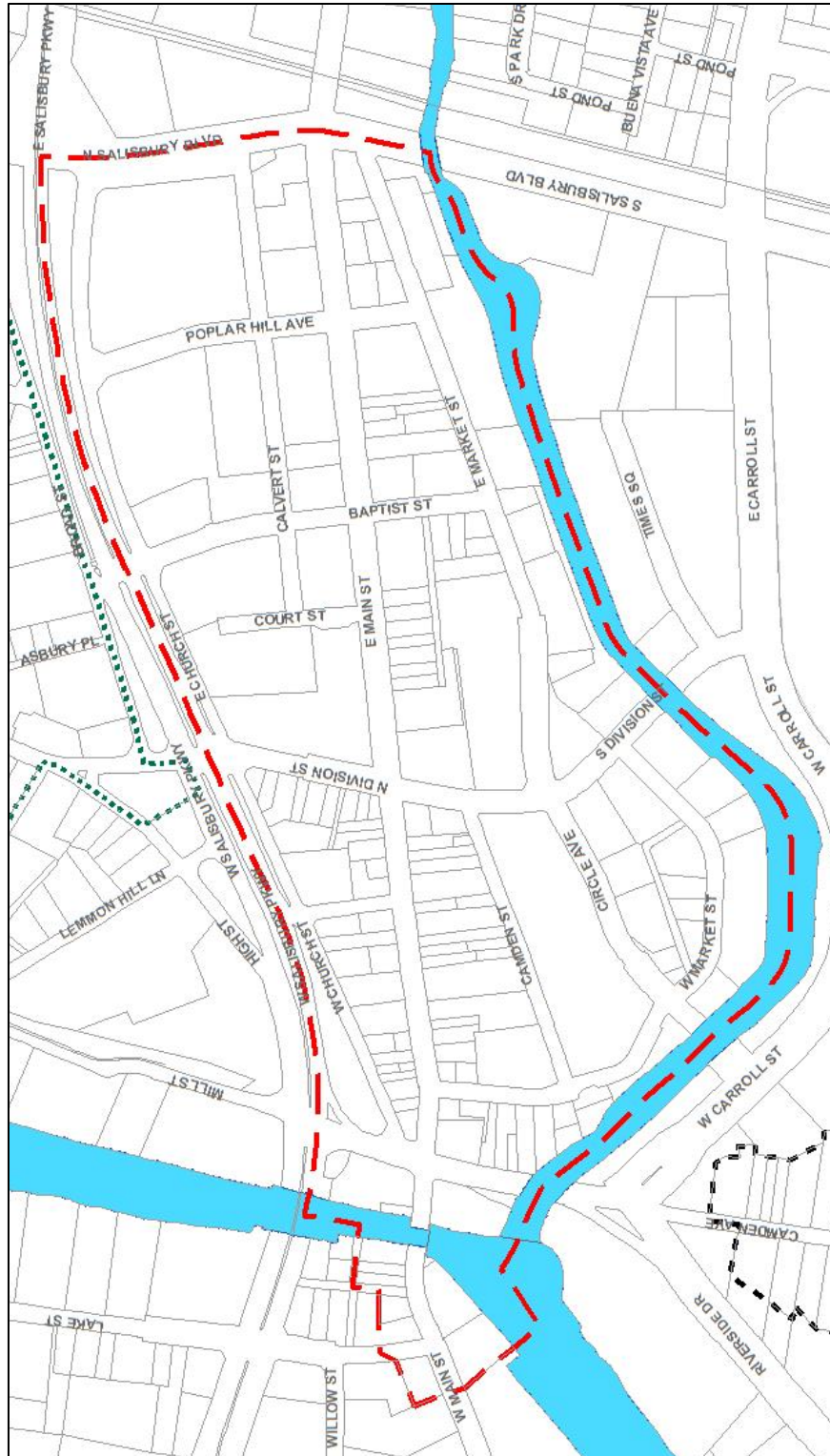
City of Salisbury Zoning Map

The legend includes the Central Business District and the Riverfront Redevelopment Districts.



Downtown Historic District

Salisbury's Downtown Historic District is denoted as the area within the red dashed-line boundaries. A complete copy of the City of Salisbury Historic District Guidelines are available online at <https://salisbury.md/> or by request.



City of Salisbury
HORIZON Program Application

General Information

Application Date: _____

Legal Name of Business:

Address of Property:

Legal Description of Property:

Name of Business Owner:

Address of Business Owner:

Business Owner Telephone #: _____

Business Owner E-mail address: _____

Name of Property Owner:

Address of Property Owner:

Property Owner Telephone #: _____

Property Owner E-mail address: _____

Property Assessment Overview

Current Assessed Value of the Real Property \$ _____

Current City of Salisbury Real Property Taxes \$ _____

Completed Project Appraised (Assessed) Value of the Property \$ _____

Project Narrative

1) Brief history of the site / building:

2) General description of the proposed project:

3) How does this project align with the HORIZON program goals?

4) Does this project conform to the City's adopted Downtown Master Plan? How does this project meet the goals of the Downtown Master Plan?

5) Use Mix: Type of Use / Percentages:

6) Property ownership structure:

7) Do you intend to “Phase” the project? If so, please provide phasing details.

8) Description of on- or off-site or associated additional projects, if applicable.

9) Description of public or tenant accessible amenities, if applicable.

Check any other incentives / programs that have been applied for.

- ☐ Enterprise Zone
- ☐ Rise Zone
- ☐ Comprehensive Connection Charge Waivers
- ☐ Revolving Loan Program
- ☐ Community Legacy Grant
- ☐ SD/SGIF Grant
- ☐ Other City/County/State/Federal Grant
- ☐ Other Tax incentives
- ☐ Energy use incentives
- ☐ Other Public investment

I, the applicant, have read and understand the HORIZON Program guidelines, and I agree to abide by the general conditions as set forth in this application. I further understand that if I am awarded reimbursement grant funds I will be required to enter into a Program Agreement with the City of Salisbury.

Signature of Business Owner: _____

Printed Name: _____ Date: _____

Signature of Property Owner (if different from Business Owner):

Signature of Property Owner: _____

Printed Name: _____ Date: _____

EXHIBIT B

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SALISBURY TO ESTABLISH A PROGRAM TO ENCOURAGE HOTEL AND LARGE SCALE RESIDENTIAL DEVELOPMENT AND REVITALIZATION IN THE DOWNTOWN AREA OF SALISBURY, THE HORIZON PROGRAM.

WHEREAS, the City seeks to incentivize the construction and expansion of business interests in and near the Downtown area, specifically the Central Business Zoning District and Riverfront Redevelopment Zoning Districts as adopted via Resolution No. 2600 in the Envision Salisbury Master Plan, in order to increase the amount of economic activity in these areas; and

WHEREAS, implementing the Hotel Or Residential Incentive Zone (HORIZON) Program will encourage financially responsible businesses to construct or expand hotel and residential business interests in these areas, which may further result in positive economic and social effects, including, but not limited to increases in cultural activity opportunities, employment opportunities, and business activities; and

WHEREAS, the City through the Department of Infrastructure & Development shall process applications connected to the HORIZON Program to ensure compliance with the program and shall review and approve all completed applications before benefits tied to the program are approved and enjoyed by developers; and

WHEREAS, the City has developed a HORIZON Program Guidelines and Application with specific requirements that shall be monitored and administered by the Department of Infrastructure and Development in order to ensure that all information and submissions are correct and properly considered; and

WHEREAS, the Mayor joins with the City Council in recommending the implementation of the program and application process.

WHEREAS, the HORIZON program is permitted by state law - Maryland Property Tax Code § 9-???(2021)

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that the Municipal Code of the City of Salisbury, Title 3 REVENUE AND FINANCE, be amended by adding Chapter 3.25 to read as follows:

Chapter 3.25 Hotel Or Residential Incentive Zone (HORIZON) Program

3.25.010 – Definitions

In this section, the following words have the following meanings indicated.

“Multifamily” has the meaning set forth in Title 17 ZONING, Section 17.04.120

“Hotel” has the meaning set forth in Chapter 5.68

A. HORIZON is hereby established for the purpose of accelerating the construction or expansion of hotel or multifamily residential development in the Central Business Zoning District and Riverfront Redevelopment Zoning Districts.

B. The City hereby adopts the HORIZON Program Guidelines and the Application submitted with this ordinance and attached hereto as Exhibit A as the initial approved application and grants administrative powers to the Director of the Department of Infrastructure and Development to process and monitor submitted applications in conjunction with the Department of Finance, to make necessary changes to the application, and to adopt such additional rules and regulations as may be necessary for the proper and efficient administration of the program.

C. Each submitted application is subject to final approval by a resolution of the City Council.

D. Upon approval of a Resolution by the City Council, the Department of Infrastructure & Development shall prepare a HORIZON Agreement which will be executed by the applicant.

E. All real property tax credits received through the HORIZON program shall run with the land and be payable only to the then current owners of the real property.

F. The HORIZON program is hereby established for a period of ten years from the date of final passage of the ordinance. The program shall be reevaluated prior to the end of the third year. The City Council may approve modifications to the program and suspend or terminate the continuance of the HORIZON program at anytime by resolution.

BE IT FURTHER ORDAINED that this ordinance shall take effect from the date of its final passage.

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on the ____ day of _____, 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 ____ day of _____, 2020.

ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

Approved by me this ____ day of _____, 2020

Julia Glanz, City Administrator
for and at the direction of Jacob R. Day, Mayor

ORDINANCE NO. 2629

AN ORDINANCE OF THE CITY OF SALISBURY TO AUTHORIZE THE MAYOR TO SIGN THE GRANT AGREEMENTS, TO ACCEPT TWO GRANTS IN THE TOTAL SUM OF \$155,565.60 FROM THE MARYLAND DEPARTMENT OF TRANSPORTATION (MDOT) MARYLAND BIKEWAYS PROGRAM FOR THE DESIGN OF THE RAIL TRAIL, PHASE 1 AND WEST COLLEGE AVENUE BIKEWAY PROJECTS, AND TO APPROVE AN AMENDMENT OF THE FY21 BUDGET TO ALLOCATE SAID FUNDS FOR PURPOSES OF IMPLEMENTATION.

WHEREAS, the Maryland Department of Transportation has a Maryland Bikeways Program for providing grant funds to support and expedite projects improving bicycle and pedestrian transportation in the State; and

WHEREAS, the Maryland Department of Transportation and the City of Salisbury have been working together to improve bicycle connectivity throughout the City of Salisbury; and

WHEREAS, the City of Salisbury desires to implement a bike route along a railway that runs north-south through the City; and

WHEREAS, the City of Salisbury desires to implement a bike route along West College Avenue serving Salisbury University and the City at-large; and

WHEREAS, the Projects will enhance bicycle safety and access to the population of the City; and

WHEREAS, the Maryland Bikeways Program has awarded grants in the total amount of \$155,565.60 to provide for the design of the West College Avenue and Rail Trail, Phase 1 Bikeway Projects; and

WHEREAS, the City shall accept the grant in the form of reimbursements and transfer those funds from the MDOT Reimbursement account to the Bikeways Capital Projects Account; and

WHEREAS, § 7-29 of the Salisbury City Charter prohibits the City from entering into an contract that requires an expenditure not appropriated or authorized by the City Council; and

WHEREAS, appropriations necessary to execute the purpose of these grants must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED that the City Council of the City of Salisbury, Maryland does hereby authorize the Mayor to sign the attached Grant Agreement dated _____, 2020 accepting the project term and definition of matching funds, for the betterment of the City and its residents, and accepting the grant funds of \$155,565.60 from the Maryland Bikeways Program to design the West College Avenue and Rail Trail, Phase

1 Bikeway Projects and further authorizes grant reimbursements to be transferred to the appropriate Bikeways Capital Projects Account.

BE IT FURTHER ORDAINED that the City's FY2021 Grant Fund Budget be amended as follows:

Account No	Account Description	Account Type	Increase/ Decrease	Amount
Maryland Bikeways Program Grant College Avenue				
10500-425805-xxxxxx	MD Dept. of Transportation	Revenue	Increase	29,608.00
10500-513026-xxxxxx	Construction	Expense	Increase	29,608.00
FY20 Maryland Bikeways Program Grant Rail Trail				
10500-425805-xxxxxx	MD Dept. of Transportation	Revenue	Increase	125,957.60
10500-513026-xxxxxx	Construction	Expense	Increase	125,957.60

AND BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

THE ABOVE ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on the 9th day of November, 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 23rd day of November, 2020.

ATTEST:

Kimberly R. Nichols
CITY CLERK

John R. Heath
PRESIDENT, City Council

APPROVED by me this _____ day of _____, 2020

Julia Glanz, City Administrator
on behalf and at the direction of
Jacob R. Day, MAYOR

GRANT AGREEMENT

BY AND BETWEEN

THE MARYLAND DEPARTMENT OF TRANSPORTATION

AND

CITY OF SALISBURY, MARYLAND

THIS GRANT AGREEMENT executed in triplicate and entered into this _____ day of _____, 20__, by and between the Maryland Department of Transportation (“Department” or “MDOT”) and the City of Salisbury (“Grantee”), Maryland.

WITNESSETH:

WHEREAS, the Department has programmed in the FY 2021-2026 Draft Consolidated Transportation Program-2021 State Report on Transportation a total of Eight Million Two Hundred Sixty Eight Thousand Dollars (\$8,268,000) for the Maryland Kim Lamphier Bikeways Network Program (“Program”);

WHEREAS, the Department budgeted within the Program One Hundred Twenty-Five Thousand Nine Hundred Fifty Seven Dollars and Sixty Cents (\$125,957.60) for the Rail Trail Phase 1, a Design project for the Final Design of an off-road shared-use path along a railroad bed from the southern city limit north to Milford Street;

WHEREAS, pursuant to Section 2-602 of the Transportation Article of the Annotated Code of Maryland, it is in the public interest for the State of Maryland to include enhanced transportation facilities for pedestrians and bicycle riders as an essential component of the State’s transportation system;

WHEREAS, the Maryland Bikeways Program was established and approved by the General Assembly to provide state transportation funding to support and expedite projects that improve bicycle transportation in the State;

WHEREAS, the Grantee has committed a matching fund contribution of Thirty One Thousand Four Hundred Eighty Nine Dollars and Forty Cents (\$31,489.40) (“Matching Fund Contribution”) to the Project;

WHEREAS, the total Project cost estimate (“Estimate”) as set forth in the Grantee’s grant application, and accepted by MDOT is One Hundred Fifty-Seven Thousand Four Hundred Forty-Seven Dollars (\$157,447.00);

WHEREAS, the Project will develop the Final Design of an off-road shared-use path from the southern city limit north to Milford Street, approximately 750 linear feet of existing path is planned to be updated and 2,250 feet of new path will be constructed in City rights-of-

way and across University owned property. 35% Plans already exist. The path will serve the need for safe connection for the Salisbury University student population and the general public.

WHEREAS, the Project is consistent with the 2017 Salisbury Bike Master Plan, the Urban Greenway Plan, is the focus of the Rail Trail Master Plan, and includes opportunities for public input;

WHEREAS, the Grantee is responsible for securing all right-of way and obtaining a Right-of-Way Certification Letter in coordination with the MDOT State Highway Administration Office of Real Estate;

WHEREAS, the Grantee will assume all maintenance and operating costs associated with the Project when it is completed;

WHEREAS, the Project is a valuable component of Maryland's transportation system;

WHEREAS, the Department has supported similar projects in various locations in the State;

WHEREAS, the Department and the Grantee agree that the Project will benefit the parties to this Agreement and will promote the safety, health, and general welfare of the citizens of the State of Maryland;

WHEREAS, Section 2-103(i) of the Transportation Article of the Annotated Code of Maryland (2015 Replacement Volume, as amended and supplemented), authorizes the Secretary of Transportation, to the extent permitted by the State budget, to make grants-in-aid to any person, including political subdivisions of the State of Maryland, for any transportation related purpose;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH: That for and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The above recitals are re-affirmed and incorporated herein by reference.
2. The Department hereby grants to the Grantee a sum not to exceed One Hundred Twenty-Five Thousand Nine Hundred Fifty-Seven Dollars and Sixty Cents (\$125,957.60) ("Grant") to be used by the Grantee for the completion of the Project. The Grantee shall be responsible for all work in connection with the Project, including the following:
 - a. Provide opportunities for community input on preliminary recommendations and semi-final design;
 - b. Submit 90% design plans to the MDOT Kim Lamphier Bikeways Network Program for review;

- c. Submit final design plans along with responses to MDOT comments on 90% design plan review;
- d. Preparation of quarterly status reports and a final report, as requested by the Department; and
- e. Monitoring and supervising the compliance with all provisions in this Agreement.

3. Notwithstanding anything to the contrary herein, the maximum amount payable by the Department under this Grant Agreement shall be the lesser of \$125,957.60 or 80% of the Project's total cost.

4. The Project shall be consistent with relevant design standards and guidelines, including 2012 American Association of State Highway and Transportation Officials (AASHTO) Bicycle Design Guidelines, the Association of Pedestrian and Bicycle Professionals Bicycle Parking Guidelines, the Maryland Manual of Uniform Traffic Control Devices, and the Access Board Advance Notice of Proposed Rulemaking (ANPRM) on Accessibility Guideline for Shared Use Paths.

5. The Grantee shall engage a professional engineer, registered in the State of Maryland, for design services on the Project. The Grantee shall provide to the Department draft design plans for review and comment and final design plans for the Project record. Notwithstanding anything to the contrary herein, the Grantee shall have final rights of approval.

6. Prior to commencement of work on the Project, the Grantee shall require all contractors and subcontractors to secure and keep in force during the term of this Agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in Maryland, the following insurance coverages:

- a. commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence;
- b. automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence;
- c. workers compensation coverage meeting all statutory requirements.

This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. The Grantee

shall evidence limits of insurability for general liability coverage in an amount of \$800,000 aggregate and \$400,000 each occurrence. The Grantee shall have the right to self-insure. These are the maximum limits of liability for which the Grantee's Self-Insurance Program is responsible, as determined by Section 5-301 *et seq.* of the Courts and Judicial Proceedings Article of the Annotated Code of Maryland, also known as the "Local Government Tort Claims Act."

The Department and its agencies, officers, and employees shall be endorsed on the commercial general liability policies, including any excess policies (to the extent applicable), as an additional insured. Coverage will be primary and noncontributory with any other insurance and self-insurance. There will be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written notice to the Department. Certificates of insurance shall be provided to the Department upon request. All endorsements shall be provided as soon as practicable. Failure to provide insurance as required in this Agreement is a material breach of contract entitling the Department to terminate this Agreement.

7. The Grant represents the maximum financial liability of the Department under this Agreement subject to, limited by and contingent upon the appropriation and availability of funds, as well as the types of liabilities, damage caps, and notice requirements stated in the Maryland Torts Claims Act ("MTCA") currently found at the State Government Article, Section 12-101 *et seq.* of the Maryland Annotated Code.

8. The parties agree that the Grantee will utilize the Grant for the Project in conjunction with other funds it has obtained from funding sources other than the Maryland Bikeways Program to complete the Project.

9. The Grantee shall maintain facilities and equipment funded through this Grant for the duration of their useful life, and in any event not less than five years. At the request of the Department, the Grantee shall refund expenditures paid by the Department if Project facilities and equipment are not so maintained.

10. The Grantee may use funds only for costs incurred in connection with the Project. Payment of the Grant by the Department shall be made on a reimbursable basis upon the Grantee's submission of invoices for such payment, subject to the following conditions.

All invoices for payment shall include:

- (a) actual expenditures incurred by the Grantee in connection with the Project;
- (b) a certification by the Grantee that all costs charged to the Project are in connection therewith and supported by properly executed records, vouchers, invoices or contracts evidencing the nature and propriety of the charges.

Invoices/requests for reimbursement will be submitted not more frequently than once per month (30 days). Invoices/requests for reimbursement will be reviewed by MDOT to determine (a) that the indicated costs are allowable hereunder and (b) that the invoiced work contributes

directly to the accomplishment of the Project. Failure to meet these conditions will result in disallowed costs that will be deducted from the authorized appropriated amount. Payment shall be made by the Department to the Grantee within thirty (30) days of the Department's receipt and approval of the invoice and accompanying certifications. The final invoice may not be paid until documentation of the Matching Fund Contribution and the final report is submitted. No Project costs incurred prior to the execution of this Agreement will be reimbursed.

11. The Grantee shall comply with all applicable Federal, State and local laws in expending Grant funds and in carrying out the Project, including compliance with the Americans with Disabilities Act of 1990, particularly as it relates to public meetings held in connection with the Project.

12. The term of this Agreement shall commence upon the date first set forth above and shall terminate when all payments of the Grant have been made or on **December 31, 2022** whichever is sooner. All work on the Project that is reimbursable under this Grant must be completed and all invoices/requests for reimbursement must be submitted by the Grantee before the grant termination date. Any invoices/requests for reimbursement submitted after the grant termination date will be identified as a disallowed cost and not processed for payment by MDOT. At its discretion, the Department may elect to extend the term of the Grant by up to six months, upon written notice by MDOT.

13. The Department reserves the right to suspend or terminate all or part of the financial assistance herein provided and to terminate this Agreement, in whole or in part, if:

- (a) the Grantee breaches or fails to fulfill any of the terms of this Agreement;
or
- (b) funds are not appropriated by the General Assembly of Maryland to fund this Grant.

The Grantee acknowledges and agrees that funding under this Agreement is expressly dependent upon the availability to the Department of funds appropriated by the General Assembly and that, except as otherwise provided for herein, the Department shall not be liable for any breach of this Agreement due to the absence of an appropriation. Termination of this Agreement will not invalidate obligations properly incurred by the Grantee prior to the date of termination if such obligations are unable to be canceled. The acceptance of a remittance from the Department of any or all funds, or the closing out of the Department's financial participation under this Agreement, shall not constitute a waiver of any claim that the Department may otherwise have against the Grantee arising out of this Agreement. If, upon termination of this Agreement, it is determined by the Department that funds are due to the Department, the Grantee shall promptly remit such amount to the Department within forty-five (45) days following written notification to the Grantee from the Department. The Grantee's agreement to remit any excess Grant funds to the Department shall survive the termination of this Agreement.

In addition to the Department's remedies under this Section, the Department may proceed to protect and enforce all rights available to it, by suit in equity, action in law or by any other

appropriate proceedings, any or all of which may be exercised contemporaneously with each other and all of which rights and remedies shall survive the termination of this Agreement.

14. The Grantee shall maintain separate and complete accounting records that are consistent with generally accepted accounting procedures and accurately reflect all income and expenditures of Grant funds for the Project. Grantee accounting records shall be maintained for a period of three (3) years after the termination of this Agreement. The records of the Grantee must be in sufficient detail to determine the nature of the costs incurred and/or expenditures made by the Grantee for the Project.

15. The Department reserves the right to perform interim and final audits of the Grant provided for under this Agreement. Any final audit shall commence within three (3) years of the expiration or earlier termination of this Agreement. In connection with any audit undertaken hereunder, the Grantee shall provide access to all records with respect to the Project. Following the completion of any audit undertaken hereunder, the Grantee shall refund to the Department within forty-five (45) days following notification by the Department any Grant payments that are found to be unsupported by acceptable accounting records or not expended in accordance with the terms of this Agreement. The Grantee's covenant to repay any excess Grant payments shall survive the expiration or earlier termination of this Agreement.

16. This Agreement may be modified only by written instrument, executed by the Department and the Grantee, except for the Grant extension pursuant to paragraph 12.

17. The Grantee shall, to the extent permitted by law, defend, indemnify, and hold harmless the Department, its officers, agents, and employees, from any and all claims, demands, suits, causes of action, liability, damages, losses, costs and expenses (including reasonable attorneys' fees) of whatsoever nature, including, without limitation, those arising on account of any injury or death of persons or damage to property, caused by, arising out of, or resulting from any and all services and activities performed by the Grantee or its employees, agents, subcontractors, or consultants relating to the Project and this Agreement.

18. It is understood and agreed that the sole obligation of the Department is the payment to the Grantee the sum of money specified in Section 2 of this Agreement.

19. All payments hereunder by the Department to the Grantee are subject to the budgetary and appropriation requirements of Section 3-216(d)(2) of the Transportation Article of the Annotated Code of Maryland, (2015 Replacement Volume, as amended and supplemented).

20. No right, benefit or advantage inuring to the Grantee under this Agreement may be assigned and no burden imposed on the Grantee hereunder may be delegated or assigned without the prior written approval of the Department.

21. The parties hereby agree that this Agreement shall be construed in accordance with the law of the State of Maryland.

22. As an inducement to the Department to make the Grant, the Grantee hereby certifies to the Department that:

- (a) any resolution, ordinance or other action which may be required by local law has been introduced and adopted, passed, enacted or taken as an official act of the Grantee's governing body, authorizing the execution and delivery of this Agreement by the Grantee in such manner and form as to comply with all applicable laws to make this Agreement the valid and legally binding act and agreement of the Grantee;
- (b) no officer or employee of the Grantee, or its designees or agents, no consultants, no member of the Grantee's governing body, and no other public official of the Grantee, who exercises any functions or responsibilities over the Project or the Grant shall have or obtain a personal or financial interest or benefit from any activity in connection with the Project or Grant or have an interest in any contract, subcontract or agreement with respect therewith;
- (c) the Grantee is not in arrears with respect to the payment of any moneys due and owing the State of Maryland, or any department or unit thereof, including, but not limited to, the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Agreement.

23. The Department and the Grantee certify that they prohibit, and covenant that they will continue to prohibit, discrimination on the basis of:

- (a) age, ancestry, color, creed, marital status, national origin, race or religious or political affiliation, belief or opinion, or sexual orientation;
- (b) sex or age, except when age or sex constitutes a bona fide occupational qualification; or
- (c) the physical or mental disability of a qualified individual with a disability.

Upon the request of the other party, the Department and the Grantee will submit to the other party information relating to its operating policies and procedures with regard to age, ancestry, color, creed, marital status, mental or physical disability, national origin, race, religious or political affiliation, belief or opinion or sex or sexual orientation.

24. The Department and the Grantee shall comply with the State's policy concerning drug and alcohol free workplaces, as set forth in Executive Order 01.01.1989.18 and COMAR 21.11.08, and must remain in compliance throughout the term of this Agreement.

25. It is specifically agreed between the Department and the Grantee that it is not intended by any of the provisions of this Agreement to create in any public entity, or any member thereof, or in any private entity third party beneficiary status in connection with the performance of the obligations herein.

26. If any provision of this Agreement is held to be illegal, invalid or unenforceable by a court of competent jurisdiction:

- (a) such provision shall be fully severable;
- (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and
- (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement.

27. This Agreement may be executed in several identical counterparts, each of which shall constitute an original and all of which shall constitute, collectively, one agreement.

28. This Agreement shall inure to and be binding upon the parties hereto, their agents, successors and, to the extent an assignment has been approved pursuant to Section 20 of this Agreement, their assigns.

29. This Agreement may be executed in counterparts; all such counterparts will be deemed one agreement. This agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature will constitute an original for all purposes without delivery of an original signature being thereafter required.

30. Each notice, invoice, demand, request, consent, approval, disapproval, designation or other communications between the parties, to the extent required to be in writing shall be made by United States Postal Mail to the following:

In the case of MDOT:

Heather Murphy, Director
Office of Planning and Capital
Programming
7201 Corporate Center Drive
Hanover, MD 21076

In the case of the Grantee:

William White
Transportation Projects Specialist
City of Salisbury
125 N Division St.
Salisbury, MD 21801

The next page is the signature page.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

MARYLAND DEPARTMENT OF TRANSPORTATION

WITNESS:

Nate Evans Date
Bikeways Program Manager

By: _____
R. Earl Lewis, Jr. Date
Deputy Secretary

FUNDS AVAILABLE:

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Jaclyn Hartman, Chief Financial Officer
Office of Finance

Brenden Lee Hodge, Assistant Attorney General
Maryland Department of Transportation

CITY OF SALISBURY, MARYLAND

WITNESS

THE CITY OF SALISBURY

By: _____
Julia Glanz Date
City Administrator & Acting Mayor

GRANT AGREEMENT

BY AND BETWEEN

THE MARYLAND DEPARTMENT OF TRANSPORTATION

AND

CITY OF SALISBURY, MARYLAND

THIS GRANT AGREEMENT executed in triplicate and entered into this _____ day of _____, 20__, by and between the Maryland Department of Transportation (“Department” or “MDOT”) and the City of Salisbury (“Grantee”), Maryland.

WITNESSETH:

WHEREAS, the Department has programmed in the FY 2021-2026 Draft Consolidated Transportation Program-2021 State Report on Transportation a total of Eight Million Two Hundred Sixty Eight Thousand Dollars (\$8,268,000) for the Maryland Kim Lamphier Bikeways Network Program (“Program”);

WHEREAS, the Department budgeted within the Program Twenty Nine Thousand Six Hundred Eight Dollars (\$29,608) for the West College Avenue Bike Facility, a Design project described as a dedicated cycletrack and bike boulevard/greenway along W. College Avenue to connect Salisbury University to the Camden Avenue and Riverside Drive bike facilities (the “Project”);

WHEREAS, pursuant to Section 2-602 of the Transportation Article of the Annotated Code of Maryland, it is in the public interest for the State of Maryland to include enhanced transportation facilities for pedestrians and bicycle riders as an essential component of the State’s transportation system;

WHEREAS, the Maryland Bikeways Program was established and approved by the General Assembly to provide state transportation funding to support and expedite projects that improve bicycle transportation in the State;

WHEREAS, the Grantee has committed a matching fund contribution of Seven Thousand Four Hundred Two Dollars (\$7,402) (“Matching Fund Contribution”) to the Project;

WHEREAS, the total Project cost estimate (“Estimate”) as set forth in the Grantee’s grant application and accepted by MDOT is Thirty Seven Thousand and Ten Dollars (\$37,010);

WHEREAS, the Project will facilitate safe access to the Main Salisbury University Campus, local parks, and shopping for students and residents of the surrounding neighborhoods. Traffic Calming, connection to the already established Camden Avenue and Riverside Drive bike

lanes, and the potential reduction in Vehicle Miles Traveled are also expected benefits of the Project;

WHEREAS, the Project is consistent with the 2017 Bike Master Plan, in which the facility was deemed a priority, as well as the City's Vision Zero Action Plan, the Rail Trail Master Plan, the Eastern Shore Drive Visioning Study, and includes opportunities for public input;

WHEREAS, the Grantee is responsible for securing all right-of way and obtaining a Right-of-Way Certification Letter in coordination with the MDOT State Highway Administration Office of Real Estate;

WHEREAS, the Grantee will assume all maintenance and operating costs associated with the Project when it is completed;

WHEREAS, the Project is a valuable component of Maryland's transportation system;

WHEREAS, the Department has supported similar projects in various locations in the State;

WHEREAS, the Department and the Grantee agree that the Project will benefit the parties to this Agreement and will promote the safety, health, and general welfare of the citizens of the State of Maryland;

WHEREAS, Section 2-103(i) of the Transportation Article of the Annotated Code of Maryland (2015 Replacement Volume, as amended and supplemented), authorizes the Secretary of Transportation, to the extent permitted by the State budget, to make grants-in-aid to any person, including political subdivisions of the State of Maryland, for any transportation related purpose;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH: That for and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The above recitals are re-affirmed and incorporated herein by reference.
2. The Department hereby grants to the Grantee a sum not to exceed Twenty Nine Thousand Six Hundred Eight Dollars (\$29,608) ("Grant") to be used by the Grantee for the completion of the Project. The Grantee shall be responsible for all work in connection with the Project, including the following:
 - a. Provide opportunities for community input on semi-final design;
 - b. Submit 90% design plans to the MDOT Kim Lamphier Bikeways Network Program for review;

- c. Submit final design plans along with responses to MDOT comments on 90% design plan review;
- d. Preparation of quarterly status reports and a final report, as requested by the Department; and
- e. Monitoring and supervising the compliance with all provisions in this Agreement.

3. Notwithstanding anything to the contrary herein, the maximum amount payable by the Department under this Grant Agreement shall be the lesser of \$29,608 or 80% of the Project's total cost.

4. The Project shall be consistent with relevant design standards and guidelines, including 2012 American Association of State Highway and Transportation Officials (AASHTO) Bicycle Design Guidelines, the Association of Pedestrian and Bicycle Professionals Bicycle Parking Guidelines, the Maryland Manual of Uniform Traffic Control Devices, and the Access Board Advance Notice of Proposed Rulemaking (ANPRM) on Accessibility Guideline for Shared Use Paths.

5. The Grantee shall engage a professional engineer, registered in the State of Maryland, for design services on the Project. The Grantee shall provide to the Department draft design plans for review and comment and final design plans for the Project record. Notwithstanding anything to the contrary herein, the Grantee shall have final rights of approval.

6. Prior to commencement of work on the Project, the Grantee shall require all contractors and subcontractors to secure and keep in force during the term of this Agreement, from insurance companies, government self-insurance pools or government self-retention funds, authorized to do business in Maryland, the following insurance coverages:

- a. commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence;
- b. automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence;
- c. workers compensation coverage meeting all statutory requirements.

This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. The Grantee shall evidence limits of insurability for general liability coverage in an amount of \$800,000 aggregate and \$400,000 each occurrence. The Grantee shall have the right to self-insure. These are the maximum limits of liability for which the Grantee's Self-Insurance Program is

responsible, as determined by Section 5-301 *et seq.* of the Courts and Judicial Proceedings Article of the Annotated Code of Maryland, also known as the “Local Government Tort Claims Act.”

The Department and its agencies, officers, and employees shall be endorsed on the commercial general liability policies, including any excess policies (to the extent applicable), as an additional insured. Coverage will be primary and noncontributory with any other insurance and self-insurance. There will be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written notice to the Department. Certificates of insurance shall be provided to the Department upon request. All endorsements shall be provided as soon as practicable. Failure to provide insurance as required in this Agreement is a material breach of contract entitling the Department to terminate this Agreement.

7. The Grant represents the maximum financial liability of the Department under this Agreement subject to, limited by and contingent upon the appropriation and availability of funds, as well as the types of liabilities, damage caps, and notice requirements stated in the Maryland Torts Claims Act (“MTCA”) currently found at the State Government Article, Section 12-101 *et seq.* of the Maryland Annotated Code.

8. The parties agree that the Grantee will utilize the Grant for the Project in conjunction with other funds it has obtained from funding sources other than the Maryland Bikeways Program to complete the Project.

9. The Grantee shall maintain facilities and equipment funded through this Grant for the duration of their useful life, and in any event not less than five years. At the request of the Department, the Grantee shall refund expenditures paid by the Department if Project facilities and equipment are not so maintained.

10. The Grantee may use funds only for costs incurred in connection with the Project. Payment of the Grant by the Department shall be made on a reimbursable basis upon the Grantee’s submission of invoices for such payment, subject to the following conditions.

All invoices for payment shall include:

- (a) actual expenditures incurred by the Grantee in connection with the Project;
- (b) a certification by the Grantee that all costs charged to the Project are in connection therewith and supported by properly executed records, vouchers, invoices or contracts evidencing the nature and propriety of the charges.

Invoices/requests for reimbursement will be submitted not more frequently than once per month (30 days). Invoices/requests for reimbursement will be reviewed by MDOT to determine (a) that the indicated costs are allowable hereunder and (b) that the invoiced work contributes directly to the accomplishment of the Project. Failure to meet these conditions will result in disallowed costs that will be deducted from the authorized appropriated amount. Payment shall be made by the Department to the Grantee within thirty (30) days of the Department’s receipt

and approval of the invoice and accompanying certifications. The final invoice may not be paid until documentation of the Matching Fund Contribution and the final report is submitted. No Project costs incurred prior to the execution of this Agreement will be reimbursed.

11. The Grantee shall comply with all applicable Federal, State and local laws in expending Grant funds and in carrying out the Project, including compliance with the Americans with Disabilities Act of 1990, particularly as it relates to public meetings held in connection with the Project.

12. The term of this Agreement shall commence upon the date first set forth above and shall terminate when all payments of the Grant have been made or on **December 31, 2022** whichever is sooner. All work on the Project that is reimbursable under this Grant must be completed and all invoices/requests for reimbursement must be submitted by the Grantee before the grant termination date. Any invoices/requests for reimbursement submitted after the grant termination date will be identified as a disallowed cost and not processed for payment by MDOT. At its discretion, the Department may elect to extend the term of the Grant by up to six months, upon written notice by MDOT.

13. The Department reserves the right to suspend or terminate all or part of the financial assistance herein provided and to terminate this Agreement, in whole or in part, if:

- (a) the Grantee breaches or fails to fulfill any of the terms of this Agreement;
or
- (b) funds are not appropriated by the General Assembly of Maryland to fund this Grant.

The Grantee acknowledges and agrees that funding under this Agreement is expressly dependent upon the availability to the Department of funds appropriated by the General Assembly and that, except as otherwise provided for herein, the Department shall not be liable for any breach of this Agreement due to the absence of an appropriation. Termination of this Agreement will not invalidate obligations properly incurred by the Grantee prior to the date of termination if such obligations are unable to be canceled. The acceptance of a remittance from the Department of any or all funds, or the closing out of the Department's financial participation under this Agreement, shall not constitute a waiver of any claim that the Department may otherwise have against the Grantee arising out of this Agreement. If, upon termination of this Agreement, it is determined by the Department that funds are due to the Department, the Grantee shall promptly remit such amount to the Department within forty-five (45) days following written notification to the Grantee from the Department. The Grantee's agreement to remit any excess Grant funds to the Department shall survive the termination of this Agreement.

In addition to the Department's remedies under this Section, the Department may proceed to protect and enforce all rights available to it, by suit in equity, action in law or by any other appropriate proceedings, any or all of which may be exercised contemporaneously with each other and all of which rights and remedies shall survive the termination of this Agreement.

14. The Grantee shall maintain separate and complete accounting records that are consistent with generally accepted accounting procedures and accurately reflect all income and

expenditures of Grant funds for the Project. Grantee accounting records shall be maintained for a period of three (3) years after the termination of this Agreement. The records of the Grantee must be in sufficient detail to determine the nature of the costs incurred and/or expenditures made by the Grantee for the Project.

15. The Department reserves the right to perform interim and final audits of the Grant provided for under this Agreement. Any final audit shall commence within three (3) years of the expiration or earlier termination of this Agreement. In connection with any audit undertaken hereunder, the Grantee shall provide access to all records with respect to the Project. Following the completion of any audit undertaken hereunder, the Grantee shall refund to the Department within forty-five (45) days following notification by the Department any Grant payments that are found to be unsupported by acceptable accounting records or not expended in accordance with the terms of this Agreement. The Grantee's covenant to repay any excess Grant payments shall survive the expiration or earlier termination of this Agreement.

16. This Agreement may be modified only by written instrument, executed by the Department and the Grantee, except for the Grant extension pursuant to paragraph 12.

17. The Grantee shall, to the extent permitted by law, defend, indemnify, and hold harmless the Department, its officers, agents, and employees, from any and all claims, demands, suits, causes of action, liability, damages, losses, costs and expenses (including reasonable attorneys' fees) of whatsoever nature, including, without limitation, those arising on account of any injury or death of persons or damage to property, caused by, arising out of, or resulting from any and all services and activities performed by the Grantee or its employees, agents, subcontractors, or consultants relating to the Project and this Agreement.

18. It is understood and agreed that the sole obligation of the Department is the payment to the Grantee the sum of money specified in Section 2 of this Agreement.

19. All payments hereunder by the Department to the Grantee are subject to the budgetary and appropriation requirements of Section 3-216(d)(2) of the Transportation Article of the Annotated Code of Maryland, (2015 Replacement Volume, as amended and supplemented).

20. No right, benefit or advantage inuring to the Grantee under this Agreement may be assigned and no burden imposed on the Grantee hereunder may be delegated or assigned without the prior written approval of the Department.

21. The parties hereby agree that this Agreement shall be construed in accordance with the law of the State of Maryland.

22. As an inducement to the Department to make the Grant, the Grantee hereby certifies to the Department that:

- (a) any resolution, ordinance or other action which may be required by local law has been introduced and adopted, passed, enacted or taken as an official act of the Grantee's governing body, authorizing the execution and delivery of this Agreement by the Grantee in such manner and form as to

comply with all applicable laws to make this Agreement the valid and legally binding act and agreement of the Grantee;

- (b) no officer or employee of the Grantee, or its designees or agents, no consultants, no member of the Grantee's governing body, and no other public official of the Grantee, who exercises any functions or responsibilities over the Project or the Grant shall have or obtain a personal or financial interest or benefit from any activity in connection with the Project or Grant or have an interest in any contract, subcontract or agreement with respect therewith;
- (c) the Grantee is not in arrears with respect to the payment of any moneys due and owing the State of Maryland, or any department or unit thereof, including, but not limited to, the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Agreement.

23. The Department and the Grantee certify that they prohibit, and covenant that they will continue to prohibit, discrimination on the basis of:

- (a) age, ancestry, color, creed, marital status, national origin, race or religious or political affiliation, belief or opinion, or sexual orientation;
- (b) sex or age, except when age or sex constitutes a bona fide occupational qualification; or
- (c) the physical or mental disability of a qualified individual with a disability.

Upon the request of the other party, the Department and the Grantee will submit to the other party information relating to its operating policies and procedures with regard to age, ancestry, color, creed, marital status, mental or physical disability, national origin, race, religious or political affiliation, belief or opinion or sex or sexual orientation.

24. The Department and the Grantee shall comply with the State's policy concerning drug and alcohol free workplaces, as set forth in Executive Order 01.01.1989.18 and COMAR 21.11.08, and must remain in compliance throughout the term of this Agreement.

25. It is specifically agreed between the Department and the Grantee that it is not intended by any of the provisions of this Agreement to create in any public entity, or any member thereof, or in any private entity third party beneficiary status in connection with the performance of the obligations herein.

26. If any provision of this Agreement is held to be illegal, invalid or unenforceable by a court of competent jurisdiction:

- (a) such provision shall be fully severable;

- (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and
- (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement.

27. This Agreement may be executed in several identical counterparts, each of which shall constitute an original and all of which shall constitute, collectively, one agreement.

28. This Agreement shall inure to and be binding upon the parties hereto, their agents, successors and, to the extent an assignment has been approved pursuant to Section 20 of this Agreement, their assigns.

29. This Agreement may be executed in counterparts; all such counterparts will be deemed one agreement. This agreement may be executed by facsimile or electronic (.pdf) signature and a facsimile or electronic (.pdf) signature will constitute an original for all purposes without delivery of an original signature being thereafter required.

30. Each notice, invoice, demand, request, consent, approval, disapproval, designation or other communications between the parties, to the extent required to be in writing shall be made by United States Postal Mail to the following:

In the case of MDOT:

Heather Murphy, Director
Office of Planning and Capital
Programming
7201 Corporate Center Drive
Hanover, MD 21076

In the case of the Grantee:

William White
Transportation Projects Specialist
City of Salisbury
125 N Division St.
Salisbury, MD 21801

The next page is the signature page.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

MARYLAND DEPARTMENT OF TRANSPORTATION

WITNESS:

Nate Evans Date
Bikeways Program Manager

By: _____
R. Earl Lewis, Jr. Date
Deputy Secretary

FUNDS AVAILABLE:

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Jaclyn Hartman, Chief Financial Officer
Office of Finance

Brenden Lee Hodge, Assistant Attorney General
Maryland Department of Transportation

CITY OF SALISBURY, MARYLAND

WITNESS

By: _____
Julia Glanz Date
City Administrator & Acting Mayor

ORDINANCE No. 2630

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING A BUDGET ADMENDMENT OF THE FY21 GENERAL FUND BUDGET TO APPROPRIATE INSURANCE PROCEEDS RECEIVED IN FY21 AS PART OF THE PAYMENT FOR VEHICLE REPAIR.

WHEREAS, City of Salisbury Zoo Vehicle ZOO-2, 2004 GMC Small Dump Truck was involved in an accident on site and was repaired by a local vendor; and

WHEREAS, the Department of Field Operations (DFO) is requesting that the insurance proceeds of \$848.15 be placed in the Zoo Vehicle Account, 40000 534308; and

WHEREAS, the Zoo will utilize the funds from the insurance proceeds to pay for the repair within the FY21 Budget Year; and

WHEREAS, appropriations necessary to execute the purpose of these funds must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND that the City's Fiscal Year 2021 General fund Budget is hereby, amended as follows:

- 1) Increase Insurance Proceeds (01000-456935) by \$848.15
- 2) Increase the Salisbury Zoo- Vehicle Account (40000-534308) by \$848.15

BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

THIS ORDINANCE was introduced, read at a meeting of the Council of the City of Salisbury held on this 9th day of November, 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 23rd day of November, 2020.

ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS ____ day of _____, 2020.

Julia Glanz, City Administrator, for and at the direction of
Jacob R. Day, Mayor



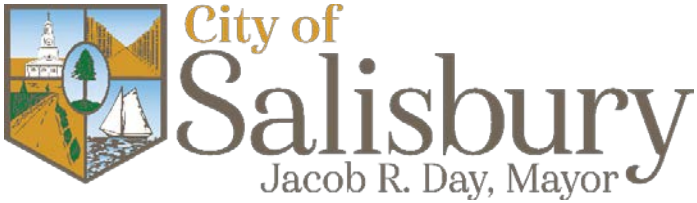
MEMORANDUM

To: Julia Glanz, City Administrator
From: James Gladwell, Deputy Fire Chief
Subject: Budget Amendment – Funding for Floor Scrubbers
Date: 12 November 2020

As you are aware, the Wicomico County Health Department (WiCHD) received a direct allocation of funds through the Federal Coronavirus Relief Fund (CRF) to help support Emergency medical response expenses related to COVID-19. As a result of this available funding, the Fire Department submitted a request for funding to purchase two (2) commercial floor scrubbers and associated battery supplies for Stations One and Two. Station 16 currently utilizes this technology to scrub its floor and it is not practical to attempt to move the machine from station-to-station based on the size and weight of the apparatus. These scrubbers will help reduce the spread of COVID-19 through the use of chemical extraction of our buildings' floors as opposed to the utilization of mops and buckets, which do not truly sanitize. The total cost of the project is \$14,590.00 and it has been approved by the WiCHD.

Attached you will find an Ordinance requesting the approval of a budget amendment to the FY2021 grant fund for the purpose of accepting funds from the Wicomico County Health Department.

If you should have any questions or comments, please do not hesitate to contact me.



James Gladwell
Salisbury Fire Department
325 Cypress Street
Salisbury, MD 21801

22 October 2020

Brandy Wink
Wicomico County Health Department
Salisbury, MD 21804

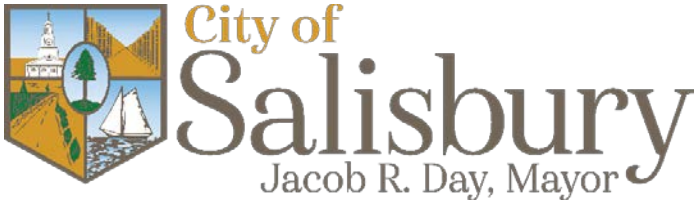
Dear Brandy,

The Salisbury Fire Department is seeking funding for two (2) 26" self-propelled, walk-behind floor scrubbers to help sanitize the floors at Stations 1 and 2. The proposed walk-behind floor scrubbers are designed to clean large floor areas in a single pass by dispersing a mixture of water and sanitizing chemical solutions, scrub the floor with bristle brushes, and then lift and remove the residue from the floor and direct the residue into recovery tanks that can then be discarded without the user ever having to touch the residue. Currently, our members utilize mops and mop buckets to clean the floors of those stations. This has been proven to be unsanitary and essentially moves dirt from one place to another.

The Salisbury Fire Department is on the front line of the COVID pandemic and has had the unfortunate privilege of carrying nearly 800 individuals suspected of being COVID-positive to date. The Department has also had over a dozen of its members contract the virus as a result. We have contracted local cleaning professionals who have disinfected our facilities on at least four (4) different occasions and we continue to seek methods that can be used in-house to reduce the possibility of spread throughout the Department's membership and subsequently, to its family's members. We believe the proposed floor scrubbers will help in this endeavor and respectfully request approval for funding of the two (2) units. Due to the size and weight of each unit, it is not practical to attempt to move the units from one facility to another. Our Station 16 facility already has a larger unit, as that complex is vastly larger than Station 1 or 2.

Please see the attached quotes I have obtained from several vendors. If this request can be approved, I would recommend utilizing the unit(s) offered by Caliber Equipment, Inc. located in Mechanicsville, VA. The proposed Viper Fang 26T should suit the needs of Stations 1 and 2 nicely. The unit is self-propelled, has an excellent pad pressure which will help in providing a solid, deep cleansing of our floors, has the best warranty in the industry (5-year parts, 2-year service), comes with an extra set of squeegee blades, provides an ample amount of run time (unit is battery operated and can be recharged at the station) and includes delivery to each station.

Salisbury Fire Department
Headquarters
325 Cypress St. Salisbury, Maryland 21801
410-548-3120
www.salisburyfd.com



I would also recommend purchasing a set of optional AGM maintenance-free batteries for each unit. The total cost for this project is as follows:

2 ea. Viper Fang 25T commercial floor cleaners @ \$6,995.00 ea. (Delivered) = \$13,990.00

2 ea. AGM maintenance-free sets of batteries @ \$300.00 ea. = \$ 600.00

Total \$14,590.00

Our first responders are beginning to see the expected fall resurgence in COVID transports and the county's positivity rate has now exceeded 5%. These are significant issues that we take very seriously and are trying to address. Our budget does not reflect the additional stressors placed on it by the COVID pandemic and through your support, I believe the acquisition of these two pieces of equipment may significantly help curtail the spread of COVID amongst our rank and file as well as help prevent subsequent spread to our members' families.

Your consideration is greatly appreciated. Should you have any questions regarding this request, please feel free to contact me at your convenience.

Yours in Service,

Jim Gladwell
Deputy Fire Chief
Salisbury Fire Department
410.548.3120 (Office)
443.614.2599 (Cell)
jgladwell@salisbury.md



October 20, 2020

8433 Erle Road
Mechanicsville VA 23116

Jim Gladwell
Salisbury Maryland Fire Department
325 Cypress Street
Salisbury, MD 21801

Dear Jim:

Caliber Equipment Inc., distributor of commercial sweepers and scrubbers, submits the following proposal for your consideration

The **Viper Fang 26T** with its 215 AMP Hour Batteries gives the user 4.5 - 5 hours of cleaning performance. Unit has large 17-gallon tanks and pad pressure of up to 150LBS. Scrubber has traction drive motor and comes with charger, pad driver, and an **extra set of squeegee blades**.

Features:

- Easy-to-use, fingertip controls
- Forward and reverse drive
- All operational functions are within easy reach
- Parabolic squeegee for easy and complete solution pick-up
- Transaxle drive
- Heavy-duty, cast aluminum squeegee assembly
- Pad pressure up to 150 lbs.
- Engineered to withstand heavy, daily use in a variety of commercial applications
- Best value in the industry
- Shelf Charger, pad driver, and squeegee assembly included
- High cleaning productivity rate
- Extra set of squeegee blades included and stored on-board**
- Backed by Factory Warranty

NEW Viper Fang 26T: 26", Disc, 17-gallon, traction-drive, **(2) white or red pads**, 32" squeegee assembly, 18-amp shelf charger, **215 ah wet cell batteries**.

Your special price: \$6,995.00 Delivered

Optional: AGM Maintenance Free Batteries: Add \$300.00

Viper is part of the Nilfisk family, that includes Clarke and Advance.

New Floor Scrubbers and Sweepers * Used and Refurbished Equipment
Distributor of Clarke, Nilfisk Advance, and IPC Eagle
Long and Short Term Rentals * OEM replacement Parts
Comprehensive Maintenance Service * Cleaning Chemicals.



Page 2 of 2

8433 Erle Road
Mechanicsville VA 23116

**Warranty: Five years parts and two years labor – eight years roto-molded body
Batteries 90 days full coverage, prorated for 18 months**

Payment Terms: Prepaid or Credit Card
F.O.B. Delivered
Delivery: Allow Approx.. 1-2 weeks
No MD State Tax: Exempt

For Caliber Equipment Inc.;
Bill Tobias
Sales Consultant
804-396-5152 cell
888-550-0945 Office
bill@caliberequipment.com
www.caliberequipment.com



**New Floor Scrubbers and Sweepers * Used and Refurbished Equipment
Distributor of Clarke, Nilfisk Advance, and IPC Eagle
Long and Short Term Rentals * OEM replacement Parts
Comprehensive Maintenance Service * Cleaning Chemicals.**

Factory Cat Mini-HD Walkbehind Scrubber Quotation

Date: 10-23-2020
 Quote #: 413476-41996-5-FCL
 Valid for: 30 Days
 Customer: Salisbury Fire Department
 Address:
 City/St/Zip: Salisbury, MD 21801
 Contact: Jim Gladwell
 Title: Deputy Fire Chief
 Phone: 443-614-2599
 Lead Time: 2 Weeks
 E-Mail: jgladwell@salisbury.md



*Photo may not be an exact representation of quoted machine.

STANDARD FEATURES

*Standard features are for base models with no options chosen.

(2x) 3/4 HP - 350 rpm Brush Motor
 21 gal. Solution / 23 gal. Recovery
 210ah Battery - 24V / 25A Charger
 26" Cleaning Path 2 - 13" Brush/Pad
 640 watt 3-stage vacuum motor
 Front 10" x 2.5" Solid Black Wheels

WARRANTY

36 months Parts/ 12 months Labor

INSTALLED BY

Authorized Service Provider

PAYMENT TERMS

Payment On Delivery

ITEM	PART #	DESCRIPTION	PRICE EACH	QTY	EXTENDED PRICE
Machine	175-26FD	MINI-HD 26" Disk	-	1	-
	175-13-382PS	Set of 2 - 13" Light-Grit Brushes	-	1	-
	175-004100	Single Point Watering System - Hand Pump	-	1	-
	175-002850	Switch, E-Stop	-	1	-
Discount		5.00% Special Customer Allowance	-	1	-
Subtotal:					-
Freight Charge					-
Total (in United States Dollar) *may be subject to additional sales tax:					\$ 8,894.85

Quotation Submitted By:
 RT Yancey - Field Sales Manager
 ryancey@easternlifttruck.com
 Office: (856) 779-8880 / Mobile: (240) 459-4396
 Eastern Lift Truck 549 E. Linwood Avenue
 Maple Shade, NJ 08052

CUSTOMER SIGNATURE HERE

IMPORTANT: A faxed or emailed Purchase Order Document is required to process the order



Departments

Account

Cart

0

Search

WebstaurentStore > Janitorial Supplies > Janitorial Equipment > Floor Scrubbers, Auto Scrubbers and Accessories
> Floor Scrubbers and Auto Scrubbers > Minuteman E26 E-Series 26" Walk Behind Battery Operated Compact Disc
Brush Scrubber

Minuteman E26 E-Series 26" Walk Behind Battery Operated Compact Disc Brush Scrubber

Item #: 585E26QP MFR #: E26QP



Free Shipping ?

\$9,969.18/Each

Minuteman E26QP Details

When keeping your establishment clean and welcoming, you should start from the ground up. There's no better way of doing that than with the Minuteman E26 E-Series 26" walk behind battery operated compact disc brush scrubber! Whether you're cleaning a healthcare facility, airport, or retail establishment, this unit has the power to get the job done with its 3/4 hp motor with 180 RPM brush head. With the finesse and comfort provided by the brush driven propelling, compact design of the machine, adjustable handle, and ergonomic hand bails, this unit has the ease of use necessary for operators to do large areas with minimal fatigue.

A sleekly designed profile provides excellent line of sight to be able to see the area to be cleaned. This, paired with the large 19 gallon solution tank and 19 1/2 gallon recovery tank, gives this machine the potential to do up to 26,000 sq. ft. per hour. Brush loading and unloading is also made easy for the operator with the simple flip of a switch, and no manual removal. Plus, the squeegee never requires any adjustment by the operator. An intuitive control system is simple to understand and requires minimal training prior to operation. The brush deck is built low to the ground, making it ideal for cleaning around and underneath furniture and fixtures.

A convenient on-board charger allows the battery to be charged anywhere there is an electrical source. This means that when cleaning a large area and the battery dies, there is no need to push the machine all the way to a charging dock, as any electrical outlet will do. For safety, when the on-board charger is plugged in, the machine is not capable of being turned on, so there is no potential for accidentally operating the unit while it is still plugged into an outlet. When it comes time to clean the unit, the hygienic recovery tank is easy to clean, and the brush as well as squeegee is removable without the use of tools.

This Item Ships via Common Carrier. For more information and tips to help your delivery go smoothly, [click here](#).

MEMORANDUM OF UNDERSTANDING

FISCAL YEAR 2021

WICOMICO COUNTY HEALTH DEPARTMENT (WiCHD) and SALISBURY FIRE COMPANY

I. BACKGROUND

The Wicomico County Health Department (WiCHD) received Federal Coronavirus Relief Funds (CRF) to help support Emergency medical response expenses, including emergency medical transportation, related to COVID-19.

II. AGREEMENT

The following agreement entered into this 4th day of November 2020, by and between the Wicomico County Health Department (WiCHD) and the Salisbury Fire Company:

A Salisbury Fire Company has submitted quotes to WiCHD and agrees to purchase the following equipment to help serve the citizens in Wicomico County and to keep all staff/volunteers safe during the Pandemic:

1. (2) Commercial Floor Cleaners and battery supplies \$14,590.00

B. WiCHD agrees to

1. Pay Salisbury Fire Department \$14,590.00 to purchase the above equipment, once we receive a detailed invoice.

II. TERMINATION

This agreement will terminate on December 31, 2020.

This memorandum is subject to the policies of the Maryland Department of Health as incorporated in the Human Services Agreement Manual.

II. SIGNATURES

The parties acknowledge their agreement by their signatures below:



John W. Tull, Fire Chief
Salisbury Fire Department

11-5-2020

Date



Lori Brewster, M.S., APRN/BC, LCADC
Health Officer, Wicomico County Health Department

11-4-2020

Date

ORDINANCE NO. 2631

AN ORDINANCE OF THE CITY OF SALISBURY TO AUTHORIZE THE MAYOR TO ENTER INTO A CONTRACT WITH THE WICOMICO COUNTY HEALTH DEPARTMENT FOR THE PURPOSE OF ACCEPTING GRANT FUNDS IN THE AMOUNT OF \$14,590.00, AND TO APPROVE A BUDGET AMENDMENT TO THE FY 2021 GRANT FUND TO APPROPRIATE THESE FUNDS FOR THE PURCHASE OF TWO (2) COMMERCIAL FLOOR CLEANERS (WALK-BEHIND STYLE) AND BATTERY SUPPLIES.

WHEREAS, the Wicomico County Health Department (WiCHD) received a direct allocation of funds through the Federal Coronavirus Relief Funds (CRF); and

WHEREAS, the purpose of the CRF is to help support Emergency medical response expenses, including emergency medical transportation, related to COVID-19; and

WHEREAS, the City of Salisbury Fire Department submitted a grant request to the WiCHD for funding to assist with the purchase of a Commercial Floor Cleaner (walk-behind style) and Battery Supply for two (2) of its fire stations; and

WHEREAS, the WiCHD has awarded the City funds in the amount of \$14,590.00; and

WHEREAS, the City of Salisbury must enter into a Memorandum of Understanding (MOU) with the WiCHD defining how these funds must be expended; and

WHEREAS, § 7-29 of the Salisbury City Charter prohibits the City from entering into a contract that requires an expenditure not appropriated or authorized by the City Council; and

WHEREAS, appropriations necessary to execute the purpose of this grant must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, THAT Mayor Jacob R. Day is hereby authorized to enter into a Memorandum of Understanding (MOU) with the Wicomico County Health Department (WiCHD) to accept grant funds in the amount of \$14,590.00.

BE IT FURTHER ORDAINED that the City's Fiscal Year 2021 Grant Fund Budget be and hereby is amended as follows:

- 1) Increase Wicomico County Health Department Revenue account (10500-427901-XXXXX) by \$14,590.00
- 2) Increase SFD Equipment Expense account (10500-577030-XXXXX) by \$14,590.00

BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 23rd day of November, 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 _____
_____ day of _____, 2020.

ATTEST:

Kimberly R. Nichols
City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS _____ day of _____, 2020.

Julia Glanz, City Administrator
for and at the direction of
Jacob R. Day, Mayor