

AS AMENDED ON JUNE 25, 2018
RESOLUTION NO. 2848

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND, FOR THE PURPOSE OF SURPLUSING THE CITY-OWNED PROPERTY KNOWN AS PARKING LOT #16 AND FOR THE PURPOSE OF ACCEPTING THE SUBMISSION OF RFP 15-17 BID FROM DAVIS SIMPSON HOLDINGS, LLC FOR THE REDEVELOPMENT OF PARKING LOT #16.

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

WHEREAS, the City of Salisbury hereby declares City Parking Lot #16 as surplus property; and

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

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

WHEREAS, the City has determined that it is in the best interest of the citizens of the City to sell the City's surplus property known as Parking Lot #16; and

WHEREAS, the City of Salisbury advertised for proposals for the purchase of and redevelopment of ~~Parking Lot #16 the Salisbury Green~~ three times from July 24, 2017 to July 28, 2017, and responses were due by September 7, 2017; and

WHEREAS, the City of Salisbury received two (2) proposals for the redevelopment purchase of Parking Lot #16 on September 7, 2017 and is now selecting Davis Simpson Holdings, LLC's proposal as the winning proposal; and

WHEREAS, the City of Salisbury has negotiated with Davis Simpson Holdings, LLC to accept a portion of their original proposal dated July 6, 2017, the portion that is for Parking Lot #16 only, for the redevelopment purchase of Parking Lot #16 and is now selecting Davis Simpson Holdings, LLC's proposal, only with respect to Parking Lot #16, as the winning proposal; and

WHEREAS, the City of Salisbury is in agreement to sell Parking Lot #16 for Fifteen Thousand Dollars (\$15,000) to Davis Simpson Holdings, LLC following the negotiation and execution of a Disposition Contract with terms acceptable to the City on or before July 30, 2018, as finally approved by the City Solicitor.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Salisbury, in regular session on the 26 day of June 2018, that the proposal for the redevelopment of Parking Lot #16, submitted by Davis Simpson Holdings, LLC dated July 6, 2017, for RFP 15-17 Bid Disposition and Development of Parking Lot 16 and Salisbury Green is selected as the winning proposal, only for the sale and development of Parking Lot #16, on the condition that the parties, on or before July 30, 2018, negotiate and execute a Disposition Contract, similar to the one attached herewith, with such terms and

conditions as may be approved by the City Solicitor; the purchase price shall be Fifteen Thousand Dollars (\$15,000).

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

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

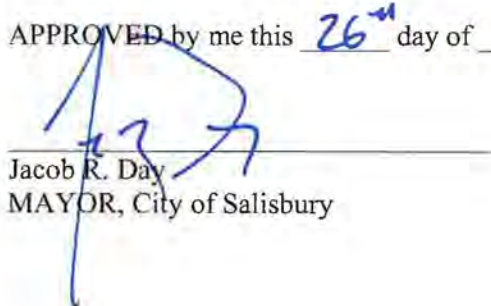
THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the Council of the City of Salisbury held on this 25th day of June 2018 and is to become effective immediately upon adoption.

ATTEST:


Kimberly R. Nichols
CITY CLERK


John R. Heath
PRESIDENT, City Council

APPROVED by me this 26th day of JUNE, 2018.


Jacob R. Day
MAYOR, City of Salisbury



City of
Salisbury
Jacob R. Day, Mayor

To: City Council
From: Jennifer Miller
Director of Procurement
Date: June 25, 2018
Subject: Salisbury Green and Lot 16 Land Disposition Contracts and Resolutions

Attached please find a Resolution that will allow the Mayor to execute a Disposition Contract with R. Miller Properties, LLC, for the purchase and redevelopment of the Salisbury Green, and another Resolution and Land Disposition Contract with Davis Simpson Holdings, LLC, for Parking Lot 16.

cc Jacob Day
Andy Kitzrow
Julia Glanz

Disposition Contract

THIS DISPOSITION CONTRACT is made this ____ day of _____, 2018, between the City of Salisbury, Maryland, ("Seller"), and Davis Simpson Holdings, LLC, a Limited Liability Company located in Salisbury, Wicomico County, Maryland, ("Buyer").

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

A. A portion of that land, together with all appurtenances thereto belonging which are located at 206 E. Market Street, Salisbury, Maryland, being more particularly described as a portion of that lot or parcel of land designated and located at 206 E. Market Street, binding upon the southerly side of East Market Street and binding upon the northerly side of the East Prong of the Wicomico River, shown on Maryland tax map 0107 grid 0015, parcel 0902, and shown as Lot 2 on the Plat entitled "Resubdivision Lands of City of Salisbury, MD" dated June 23, 2017, also known as Parking Lot 16, an accurate legal description of which is to be provided to the Seller by the Buyer; the land shall be subdivided with the Riverwalk portion of the property to be retained by the Seller; the Land and the structure, together with all appliances and fixtures, are hereinafter collectively referred to as the "Property."

B. Buyer hereby agrees that Seller will reserve all appropriate easements for sidewalks and for installation and maintenance of utilities and roadways, including but not limited to fire hydrants and the corresponding water supply. In addition to the City's normal and customary easements, it is specifically noted that there shall be an easement for access to the Riverwalk. There shall also be an easement for access and maintenance of the existing stormwater infrastructure.

1. PURCHASE PRICE AND METHOD OF PAYMENT: The purchase price shall be FIFTEEN THOUSAND DOLLARS ----- (\$ 15,000.00) of which ONE THOUSAND DOLLARS - - - - - (\$ 1,000.00) shall have been paid prior to the signing of this contract. The deposit shall be held in a non-interest bearing escrow account of the City with the deposit to be applied to the purchase price and closing costs at Final Settlement, and any remaining deposit to be refunded to the Buyer after Final Settlement.

At the time of the Initial Settlement, hereinafter defined, the initial payment on the Purchase Price shall be ONE DOLLAR (\$1.00) (the "initial payment"). At the time of issuance of a Building Permit by the City of Salisbury Department of Infrastructure and Development, that satisfies the requirements of Section 12.D. of this Disposition Contract, there shall be a Final Settlement. At the time of the Final Settlement, the balance of the Purchase Price, _____, shall be paid to Seller (the "Final Settlement").

2. TO BE PAID IN THE FOLLOWING MANNER:

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

3. REPRESENTATIONS OF SELLER.

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

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

B. Seller hereby certifies to Buyer that there is no tenant with any right to possession of the property.

C. After the Initial Settlement and prior to recording of the Deed, Seller shall remain in possession of the property until Final Settlement and the Buyer has made the Final Payment. After payment and recording of the deed to Buyer, Seller shall remain a tenant with right to possession of the Property. Davis Simpson Holdings, LLC and the City shall execute a Lease Agreement prior to final settlement for the City to continue to operate Parking Lot #16. The Lease Agreement shall be a year-to-year lease renewable by the City or Davis Simpson Holdings, LLC annually, at the annual price of \$1.00. If no action is taken by either party, the lease shall automatically renew with the same terms as the prior year until construction commences. The lease shall commence at final settlement and end upon commencement of construction. City's rent shall be a total of \$1.00 per year. During the lease, the City shall be responsible for repair & maintenance of the existing lots and any portion of the Property which remains available to be leased by the City for parking each year. The City shall be responsible for all expenses, not caused by the intentional or negligent actions of Davis Simpson Holdings, LLC, its agents, employees or Contractors. The City's responsibility under the lease shall include but is not limited to paving and patching repairs, sidewalk repairs, storm water repairs, repair of all light poles and bulbs, city real estate taxes and the storm-water management utility fee, snow removal/salting and all utilities. Davis Simpson Holdings, LLC shall be responsible for all the county real estate taxes after the payment of \$5,000 and the recording of the deed to Buyer at final settlement.

D. At Final Settlement, excepting this Contract and its attachments, there will be no contracts affecting the Property or any part thereof, no contracts or agreements for the management of the Property, or any part thereof, and there will be no commission due or owing in connection with any lease or on account of any tenancy or sale of the Property. It is understood the City may have from time to time contracts for repairs and maintenance of the Parking Lot.

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

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

G. 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.

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

4. DELIVERY OF CERTAIN MATERIALS TO SELLER AND BUYER.

Promptly, but in no event later than sixty (60) days following the completion of the study period hereof, Buyer shall deliver to the City Solicitor its proposed survey and legal description of the property to be conveyed pursuant to this Contract.

5. ADDITIONAL UNDERTAKINGS.

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

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

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

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

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

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

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

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

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

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

contract and forthwith receive a full refund of the Deposit paid hereunder.

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

6. BUYER PURCHASES THE PROPERTY "AS IS."

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

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

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

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

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

7. SETTLEMENT ATTORNEY/TITLE COMPANY:

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

8. SETTLEMENT:

Initial Settlement shall be held in Salisbury, Wicomico County, Maryland, on or before ____ day of _____, 2018 (the "Initial Settlement Date"). At Initial Settlement, the Seller shall execute:

A. A deed to the Property, containing a covenant of special warranty and further assurances, which

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

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

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

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

10. A. BUYERS' REMEDIES. In the event the Seller should be in default of any obligation on its part to be performed hereunder, or in the event any representation or warranty of Seller should be incorrect, or in the event any condition or obligation referred to in Contract shall not be satisfied within the time period specified, then, as its sole recourse pursuant to this Contract the Buyer shall be entitled to cancel this Contract and to receive the immediate return of the deposit referred to in this Contract. Notice of such default shall be given, in writing, by the injured party within thirty (30) days after the default has occurred. If the party defaulting on this contract fails or refuses to release monies, the holder of the deposit may deliver the deposit by way of interpleader to the appropriate Court to determine ownership thereof and have all costs and expenses in connection therewith deducted from said deposit.

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

11. MISCELLANEOUS:

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

B. The following exhibits are incorporated as a part of this contract, except as set forth herein:

1. Exhibit A: Development Proposal submitted by Davis Simpson Holdings, dated July 6,

2017.

2. Exhibit B: Request for Proposal #15-17 "Disposition and Development of Parking Lot 16 and Salisbury Green."

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

12. USE OF THE PROPERTY:

A. Completion. Buyer hereby covenants that it will complete the construction of improvements as set forth in the Development Proposal (Exhibit A) and as set forth in the Request for Proposal 15-17 (Exhibit B). Buyer's Contract to complete the Development Proposal shall survive Settlement. There shall, however, be no additional restrictions on the use of the Property other than those required by Federal, State or local law, or contained herein.

B. Deed Covenant. The deed from the Seller to Buyer for the property described in this contract will contain a covenant that the property will be developed as set forth in Exhibit A.

C. Preliminary Site Plan Approval. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns shall deliver to the City a preliminary site plan approval on or before September 1, 2018, pursuant to the terms of Exhibits A and B. If the Buyer has not delivered a preliminary site plan approval within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

D. Final Site Plan Approval/Stormwater Approval. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns shall deliver to the City a final site plan approval and stormwater approval on or before March 1, 2019, pursuant to the terms of Exhibits A and B. If the Buyer has not delivered a final site plan approval and stormwater approval within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

E. Building Permit. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall secure a Building Permit for the construction of a mixed-use development pursuant to the terms of Exhibits A and B (as approved by the City of Salisbury Department of Infrastructure and Development) on or before September 1, 2019. If the Buyer has not secured a Building Permit within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

F. Construction Commence. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall commence construction for the building referenced in Exhibits A and B (as approved by the City of

Salisbury Department of Infrastructure and Development) on or before October 1, 2019. If the Buyer has not started construction within this time frame, the City shall have the right to i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

G. Certificate of Occupancy Completion. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall secure a Certificate of Occupancy for the building referenced in Exhibits A and B (as approved by the City of Salisbury Department of Infrastructure and Development) on or before October 1, 2020. If the Buyer has not secured a Certificate of Occupancy from the City of Salisbury Department of Infrastructure and Development within this time frame, the City shall have the right to i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

H. Covenants. The deed conveying the property shall expressly provide in an abbreviated format acceptable to the attorney for the Seller that the agreements and covenants provided for in the Development Proposal and Request for Proposal 15-17 for the Property and this Disposition Contract shall be included therein as covenants running with the land and shall be binding upon the land for the benefit and in favor of the Seller. Failure to construct the mixed-use development within the time for performance set forth herein shall result in a reversion of title to the Property back to Seller and Seller shall be entitled to both equitable enforcement of its reversion and damages, including attorney's fees for the enforcement of this Disposition Contract.

I. Speculation Forbidden. Buyer hereby represents and agrees that its purchase of the property and other agreements pursuant to the Development Proposal and Request for Proposal 15-17 for the Property and this Disposition Contract are for the purpose of development of the property in accordance with the Development Proposal for the Property and not for speculation in landholding. Buyer covenants that the purpose of this purchase is not for speculation.

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

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

L. Transfer. Buyer shall retain the interest acquired in the Property until the construction requirements as defined in Sections 12. A., C., D., E., F. and G. are satisfactorily completed. Any assignment of the Buyer's interest is subject to approval by the City Council. Such approval may not, however, be unreasonably withheld.

M. Completion. The term "Certificate of Occupancy Completion" shall be defined for the purposes of this contract to mean when the building is finished, occupancy permit(s) issued and the premises is open for business to the public.

N. Default. Buyer agrees that if, subsequent to the conveyance of the property to Buyer, Buyer shall default in or violate the Disposition Contract, prior to completed construction as certified by the City, including, but not limited to, failure to construct the improvements, abandonment or substantial suspension of construction work, failure to complete the project in the period specified in this Disposition Contract, failure to pay real estate taxes, if any, or suffer any levy or attachment, or any unauthorized change in ownership, and such violation is not cured within sixty (60) days after written demand by the Seller, Seller shall have the right but not the obligation, to enforce the terms of this Disposition Contract by seeking damages and, in addition, injunctive relief, including reversion of the Property from the Buyer to the Seller. Buyer shall not be in default for failure to complete the project if such failure is caused by delay due to unforeseen causes beyond his control and without his fault or negligence provided Buyer, within ten (10) days of the start of any such delay, has notified the Seller in writing and requested an extension for the period of the delay.

O. Fees. All fees for construction, permits, connections, EDUs, licenses and other fees related to the construction, development and operation of the Property shall be the responsibility of the Buyer. The Buyer may apply for any incentive or other waivers.

P. Parking. The Buyer shall provide parking on the Property for the proposed residential units and retail spaces in accordance with the City Code. Public parking may be developed on the property, the Buyer and Seller may negotiate a future agreement for such public parking, but nothing contained herein or in the attached exhibits obligates the City to provide such an agreement.

Q. Maintain Environmental Quality. The Property shall be developed in a way to reduce the amount of runoff pollution, include green space, plant trees, utilize sustainable materials and incorporate water and energy efficient design/construction.

13. NOTICE. Any notice to be given to a party under this Contract shall be deemed to be given on the date hand-delivered to the party, or on the second business day following the date when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the Seller at:

S. Mark Tilghman
City Solicitor
110 N. Division Street
Salisbury, MD 21801

addressed to the Buyer at:

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

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

ATTEST:

CITY OF SALISBURY

Kimberly R. Nichols
City Clerk

Jacob R. Day, Seller
Mayor

BUYER

WITNESS

BY: Bret Davis
Davis Simpson Holdings, LLC

Davis Simpson Holdings

100 North Division St. Unit 301

Salisbury MD 21801

240-994-6481

Contact: Bret Davis (Owner)

7/6/17

Proposal: RFP 15-17

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Proposal Summary

Please find attached a proposal for the construction of a four story mixed use building at the current lot 16 parking lot site and adjacent green space in downtown Salisbury. This property will feature roughly twenty eight apartments and two retail spaces. One space will be designed for food service, and the other retail space designed for a wide variety of users.

1. Demolition Plan

During the design process, care will be taken to limit onsite disturbances to the best of our ability. We will limit the use of labor to the most controlled and safe conditions and rely upon mechanized means of removal wherever possible. Excavators will be utilized, and the area will remain fenced off during the construction process. All site work and materials will remain within the property boundary during construction. The river walk area adjacent to the walking bridge will be removed and remodeled as well because of setback requirements. This will be designed to match the existing river walk to the best of our ability.

2. Neighborhood Impact

I. Traffic

We will comply with all necessary traffic control requirements within the city of Salisbury. We will work to limit the amount of time in which we need to block off the public streets. At this time a traffic control plan will be submitted to the city for redirecting traffic as needed.

II. Parking

Parking for the proposed residential units will be located on the first floor, and we will also work to provide as many public spaces as we can within the confines of the site. We will not utilize the entire property for the building, and we plan to put back public parking in as much space as code allows. We will be placing the green space between the building and the river walk rather than taking up one side of the lot. The retail spaces would have a small lot for short term customer parking, but we expect that most traffic will be on foot from people working and living downtown. Exact quantities for spaces will be determined once architects are able to explore further into the site study period.

III. Pedestrian Traffic

We will leave the walking bridge that crosses the Wicomico, and design a Garden adjacent to the building along the river walk. Some areas will feature seating, but the space will predominantly be filled with plants. The goal of the space will be to provide a casual modern outdoor recreation area where people can relax, eat, and enjoy the river. This facility sits between PRMC Hospital and downtown Salisbury. It is vital to both that this project have a recreational feel that promotes the flow of traffic between the two. We will create a safe, beautiful space that can be utilized by residents and the public alike.

IV. Noise

We plan to complete all construction within city's normal allowable hours of operation. Once completed, the commercial users will be required to adhere to all City of Salisbury noise ordinances to ensure they are not affecting adjacent properties.

V. Construction

For safety purposes our construction zone will be fenced off to protect the public from debris and construction equipment. Davis Simpson will have all of the necessary architectural, and engineering designs on site at all times to ensure that the project is built to meet the city's detailed standards.

VI. Compatibility

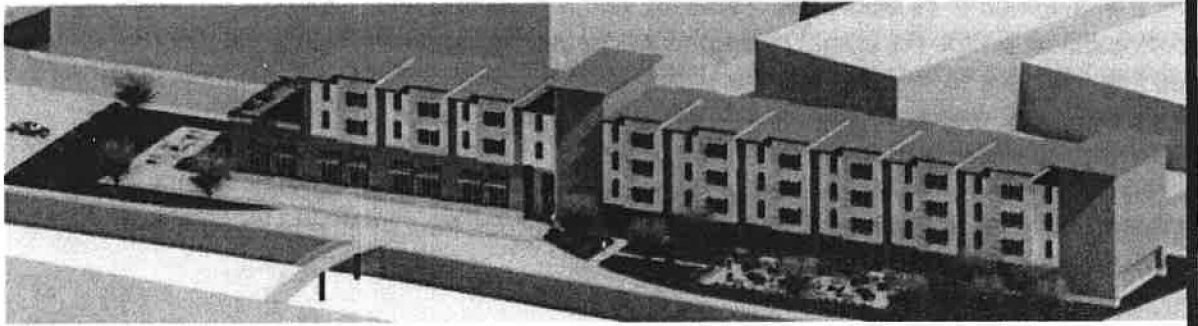
In recent years, the City of Salisbury has been pushing to retain University graduates to fill well paid local positions. We believe that a lack of quality, modern style housing in downtown Salisbury is constraining this goal. We plan to build a product catered to professionals who are looking to live near their work. The pricing for these units will be slightly higher than competing apartment buildings, such as Marley Manor and Mill Pond. Our apartments will be designed to attract tenants that like living within walking distance of restaurants, entertainment, shopping, and other services. It is our experience in other markets that these features will allow us to increase the rental rates, and in turn offer amenities that other apartment complexes can't. These new residents are likely to be regular customers of Salisbury's downtown businesses, and will be a great contributor to the economic growth of downtown. Our project will raise the standard for design and living in downtown Salisbury, and make it more of a magnet for the community and surrounding areas to live, shop, and dine.

3. Scope of Work

Design

Our team plans to build a four story mixed use building that would feature two first floor retail spaces, first floor parking under the building, as well as parking spaces adjacent to the building as well. First floor parking is ideal because it anticipates flooding that is likely to occur do to the sites close proximity to the river. A central elevator will provide access to the upper floors and rooftop. One goal within our initial design is to incorporate two rooftop decks. The first is anticipated to be above the restaurant and retail space, where patrons can enjoy for rooftop dining beside the river. The second will be on top of the main residential portion of the building, adjacent to the elevator. This space will be a communal area for residents featuring elegant outdoor seating arrangements. The deck will be oriented towards the riverside to provide an excellent view, while remaining largely hidden from the street. A large green space will be created between the building and the river walk, allowing for outdoor seating and a communal garden. If there is enough space we will include for a small pop up park and/ or playground area.

Architectural Render # 1



DAVIS SIMPSON HOLDINGS
PROPOSAL RFP LOT 15-17
09/07/2017

PERSPECTIVE VIEWS

BICKER
NEWMAN

Architectural Render # 2



Architectural Render # 3



Timeline

Once Davis Simpson obtains acceptance of this proposal we will immediately begin the surveying and pre construction planning stages. We will look to break ground within six months, and have the project completed in eighteen months. We will request 180 day study period to determine the feasibility of the site, which would include an environmental study and an assessment of the river walk. This will allow us to determine what kind of foundation and extra site work will be required.

The terms of our proposal are as follows

\$125,000 purchase price for both parcels.

180 Day Study Period to ensure site compatibility

Settlement Date: 4/1/17

Contingencies

- All EDU fees will be provided by the city at no cost through the EDU's that were created for downtown. Our firm obtained these previously for our project at 100 North Division St., and we are familiar with the process.
- The city will provide an agreement with the developers to cover cost, and liability for the public parking that would be created on site. The developers are open to various possibilities and want to ensure the project supports the city's growth plans for downtown Salisbury. We will work with the city and adapt our plans to meet their goals, and maintain the economics of the project.
- The city will waive all construction permit fees, and all other review permit fees for this project.

4. Letter of Interest

Bret Davis, Kirk Davis and Nick Simpson began their careers from different development backgrounds, which allows them to capitalize on a variety of unique skill sets. They began working jointly on projects in 2013, and later formed a construction division, Davis Simpson Homes, and a real estate asset company, Davis Simpson Holdings. Since then they have worked on over 100,000.00 square feet of development projects in Salisbury and Baltimore City. Davis Simpson Homes specializes in custom built homes, commercial build-outs, and remodels. Davis Simpson Homes has already completed three projects in downtown Salisbury on a similar scale or larger than the proposed lot 16 development. The company consists of an in house team of eight full time construction workers, many additional sub contractors who are employed full time, two administrative staff, and four sales agents.

Key Personnel

Owner, Bret Davis is a recent Salisbury University graduate with a degree in International Business Administration. Bret owns the Davis Group of Keller Williams, a sales team that specializes in commercial real estate sales and leasing. This team works hand-in-hand with the Davis Simpson Holdings in order to ensure quality tenants lease the spaces within the buildings they develop. The Davis Group has completed more leases in downtown Salisbury than any other sales team over the past 12 months. Bret handles the administrative and sales operations for the organization. Bret is also employed through Wor Wic Community College as an instructor for Real Estate courses.

Owner, Kirk Davis graduated from St. Mary's College of Maryland, and has a background in construction management. After college he formed Davis Productions, an entertainment company that hosted outdoor events, and an annual haunted house that drew thousands of people from throughout the tri state area. Through Davis Productions he began to specialize in electrical installations, and went on to work at various electrical companies. At Vivint Solar he worked as a project manager, building new power generation systems capable of producing thousands of kilowatts of electricity. He currently serves as the Chief Operations Officer for Davis Simpson Homes. He works with the growing staff of employees and contractors on ever evolving projects.

Owner, Nicholas Simpson graduated from Salisbury University Perdue School of Business, with a Bachelor of Science in Business Management in 2014 in just three years. While in school, Nick was one of ten recipients across the country awarded the prestigious NFIB Young Entrepreneur Scholarship. During his 2012-2013 internship with Aflac, Nick earned the distinction of being named the number one producing sales intern in the country. Mr. Simpson also gained a background in technology while starting a mobile application business centered around advertising and big data sales. He began investing in real estate in 2013 with a focus on new construction, commercial buildings, and college student housing. He began investing in real estate in 2013 with a focus on new construction, commercial buildings, and college student housing. Mr. Simpson is a licensed builder in the state of Maryland and believes in an organized approach to business accompanied with the necessary technology to make the process transparent and smooth for all parties. His hands on approach to all real estate projects provide an incomparable business client relationship as a Real Estate Developer.

5. Financial Capacity

Davis Simpson has a strong relationship with a variety of local lenders, several of whom have expressed interest in the project even at this preliminary stage. Davis Simpson is currently working on a 27,000 square foot office complex purchase, four residential new construction projects, and two other large commercial construction projects. All of these projects are supported by local banks, and we will have these projects timed for completion by February so as to allow for us to concentrate our finances and attention on this project. In most of our projects we bring in investors to offer additional capital and financial stability to the project. For this project we already have two investors with adequate capital waiting, and both have worked with us previously.

6. Previous Projects

Davis Simpson Holdings has a wide variety of commercial properties, including three large projects in downtown Salisbury. We have leased over twenty commercial spaces in downtown Salisbury over the past two years. Our team is very passionate about downtown and we believe that if given the opportunity we can build a site that the City of Salisbury can be proud of. We will begin moving towards construction immediately, we plan to be the first new construction project in downtown Salisbury, and we believe that we can help retain the quality young talent that Salisbury needs, and we think that no one is better suited to fill that void than young business owners who have received their degrees at Salisbury University. This housing project will not be limited to SU graduates, and will be fully ADA compliant to allow for a wide variety of occupants. To highlight our experience, we have included information about some of our office, residential, and mixed- use projects.

100 East Main St. (One Plaza East)

Property: Multi- Use Commercial

Year Built: 1923

Building Size: 50,000.00 Sq Feet

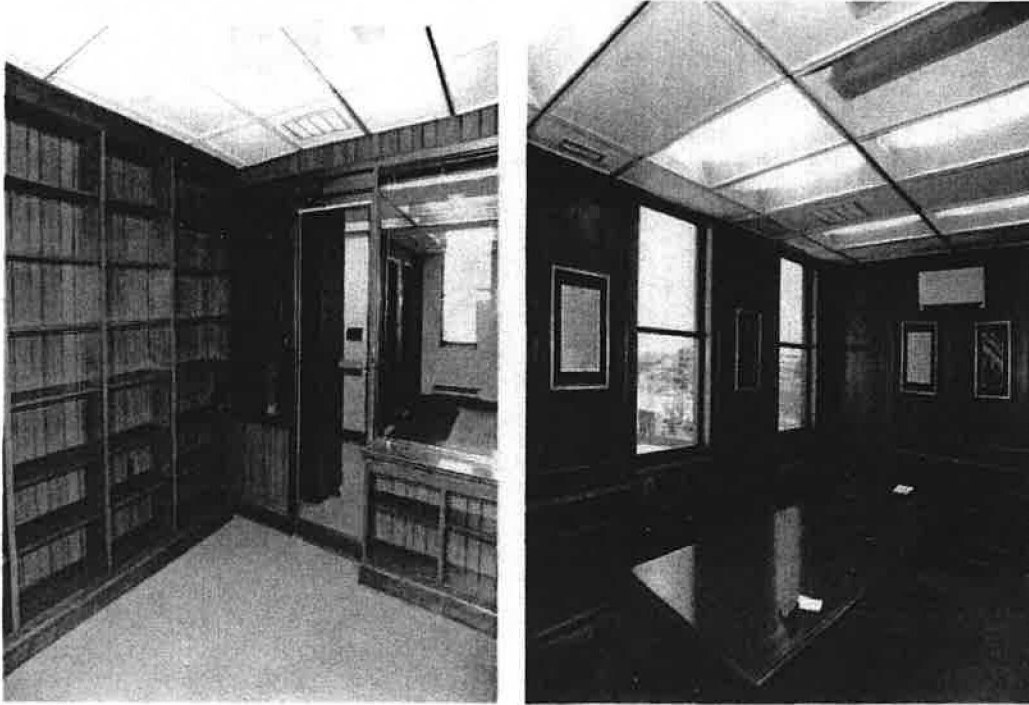
Construction Timeframe: 18 Months

Floor Size: 5,300.00

Project Description: We purchased 80% of the One Plaza east building and have successfully rented out over 30,000 square feet of space in just over fifteen months. Every floor was demolished and upgraded to modern standards. This is the largest project to be completed along the main street corridor in recent years and we have the project stabilized with long term leases in place to mostly national tenants.



Before



After



1024 S. Tower

Property: Commercial

Year Built: 1975

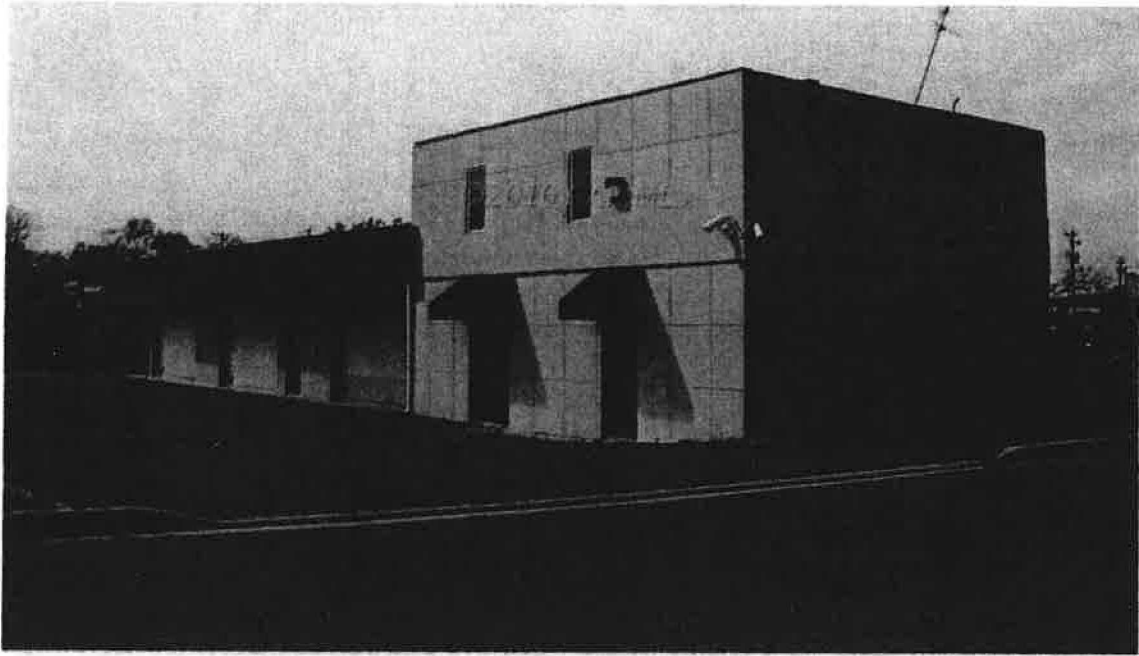
Building Size: 4,698.00 Sq Feet

Lot Size: 11,025 Sq Feet

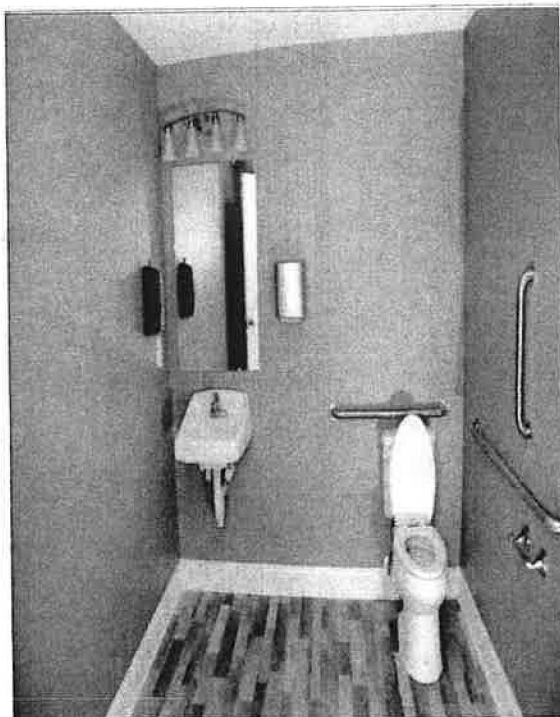
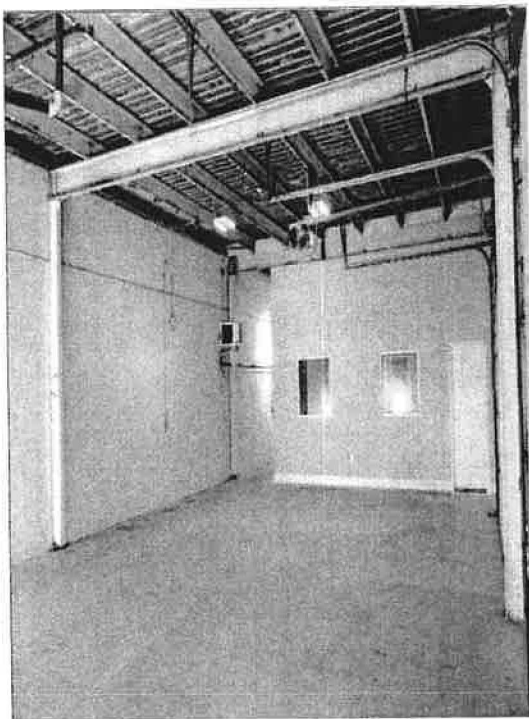
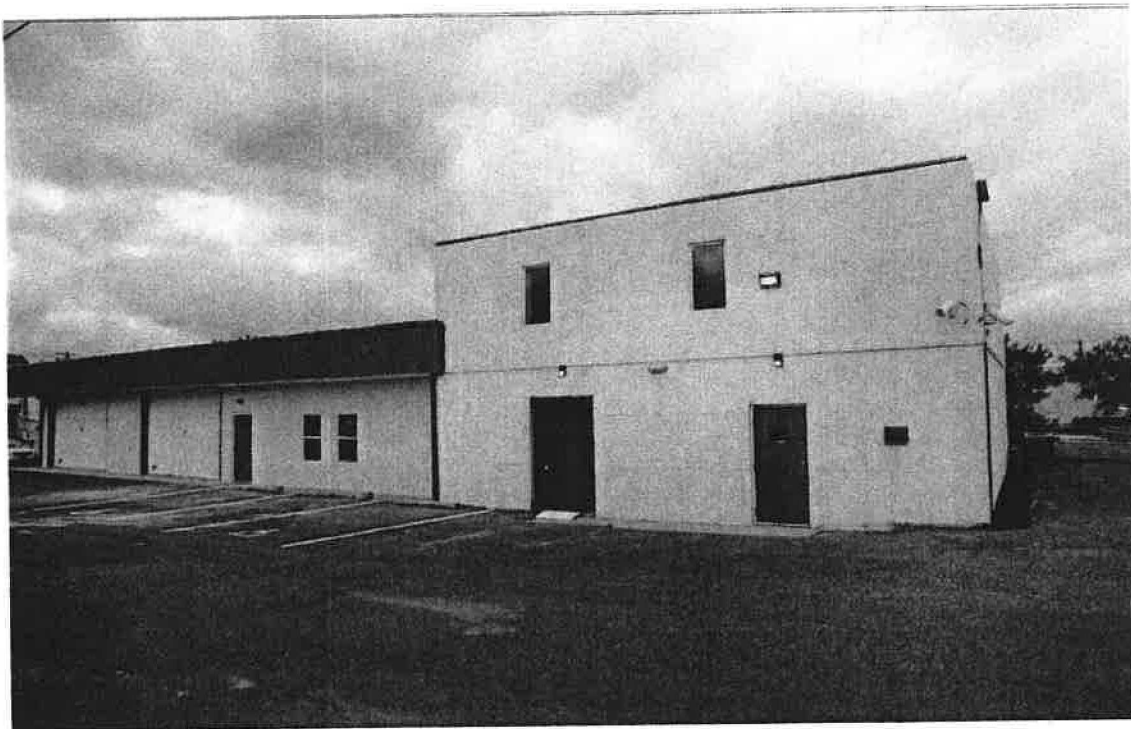
Construction Timeframe: 4 Months

Project Description: This building was purchased and completely remodeled in order to fit the needs of American Home patient which is a national medical company. This project involved a great deal of concrete work in order to replace the existing plumbing and drain lines throughout the site.

Before



After



220 N. Division Street

Property: Multi- Family

Year Built: 1920

Building Size: 4,290 Sq Feet

Lot Size: 10,251 Sq Feet

Construction Timeframe: 7 Months

Project Description: This project involved remodeling a partially burned down office building, into 4 upscale apartments within the downtown area. These apartments feature granite countertops, stainless steel appliances, Heat and A/C, individual washer/ dryers, built in speakers, ceramic tile showers, and real wood cabinets. These units were designed to be upscale, modern apartments within the downtown area, very similar conceptually to the apartments we intend to build on the lot 16 site.

Before



After



1305 South Division Street Salisbury MD 21801

Property: Retail/ Office

Year Built: 1956

Building Size: 44,733 Sq Feet

Lot Size: 3 Acres

Construction Timeframe: Ongoing

Project Description:

The project was purchased at a 75% occupancy rate. Some of the spaces have been remodeled and the occupancy has since been brought up to 100%. Davis Simpson is in the process of working with the city to bring water and sewer to the site. Other renovations will include adding an additional sidewalk, repainting the shopping center, and repaving the parking lot.



100 North Division Street Salisbury MD 21801

Property: Retail/ Office/ Residential

Year Built: 1910

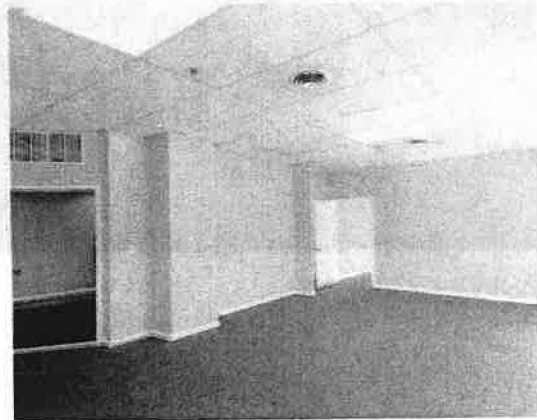
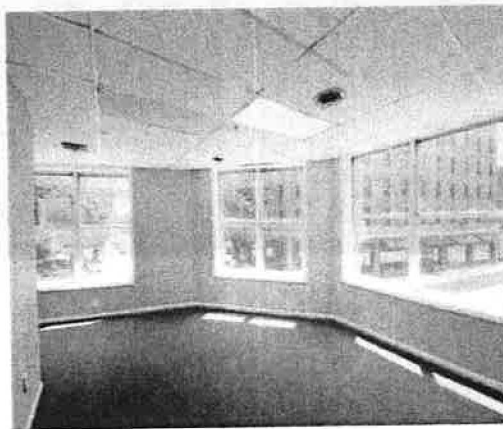
Building Size: 7,500 Sq Feet

Lot Size: 2,500 Square Feet

Construction Timeframe: 9 Months

Project Description:

This property was previously in terrible condition. It had two office spaces on the 2nd floor with consistent leaks, and no functioning HVAC system. The property was renovated into a first floor retail space- currently Edit Hair Salon- three second floor offices, and a large penthouse apartment on the third floor. The penthouse features a private rooftop deck, sauna, eleven foot ceilings, and three massive bedrooms.





PROVIDENT STATE BANK

September 5, 2017

Mr. Bret Davis
Davis Simpson Holdings, LLC
100 N. Division St. Apt. 301
Salisbury, MD 21801

RE: City of Salisbury Proposal
Lot #16 Waterfront Development

Dear Mr. Davis,

The Provident State Bank has enjoyed building a relationship with you over the past couple of years and have been impressed with the commercial projects in which we have been involved.

We would be pleased to develop a loan proposal, subject to normal underwriting review, considerations, and approvals, for financing related to the development of Lot #16 on Market Street and along the east prong of the Wicomico River. This project would be a great addition to the housing market in Downtown Salisbury.

I will look forward to hearing more as to the details of your project and the acceptance of the City of Salisbury to your submission.

Sincerely,

Richard H. Van Gelder
Vice President
410-251-8312 cell

Member FDIC

Preston • Secretary • Denton • Federalsburg • Ridgely • Cambridge • Easton

www.providentstatebank.com



HEBRON SAVINGS BANK

Hebron

101 N. Main Street
P.O. Box 59
Hebron, MD 21830
410-749-1185

Sharptown

303 Main Street
P.O. Box 236
Sharptown, MD 21861
410-883-3121

Vienna

100 Market & Race Sts.
P.O. Box 158
Vienna, MD 21869
410-376-3186

Cambridge

6 Cedar Street
Cambridge, MD 21613
410-228-9202

2801 Ocean Gateway
Cambridge, MD 21613
410-228-2440

Salisbury

415 E. Carroll St.
Salisbury, MD 21804
410-742-8526

1310 Mt. Hermon Rd.
Salisbury, MD 21804
410-546-8118

2730 N. Salisbury Blvd.
Salisbury, MD 21801
410-548-2233

Quantico Square
1008 W. Main St.
Salisbury, MD 21801
410-543-9183

543-C Riverside Drive
Salisbury, MD 21801
410-341-6670

Fruitland

108 E. Cedar Lane
Fruitland, MD 21826
410-860-4884

Princess Anne

30499 Mt. Vernon Rd.
Princess Anne, MD 21853
410-651-1722

Crisfield

57 Richardson Avenue
Crisfield, MD 21817
410-968-0500

September 6, 2017

Mr. Jacob Day, Mayor
City of Salisbury
125 N. Division Street
Salisbury, MD 21801

Re: RFP for Lot #16, Salisbury, MD

Dear Mayor Day,

It is with much pleasure that I offer this letter of support for Bret Davis, Kirk Davis, Nicholas Simpson and other unnamed partners with regards to their application related to the above referenced RFP.

As a Business Development Officer with Hebron Savings Bank, I have had numerous opportunities to work with these individuals to finance various real estate projects in or near Salisbury during the past four years. As evidenced by their recent successful acquisition and rehabilitation of several floors in the One Plaza East building and other near-by downtown properties, I can attest that these individuals have developed a keen understanding of and a strong commitment towards improving Salisbury's downtown real estate market.

These individuals currently have multiple residential and commercial real estate loans with Hebron Savings Bank and I have always found that their financial and feasibility analysis to be extensively vetted and well planned and their loan repayment history has been impeccable.

I firmly believe that their proposed development project for the subject property will be a tremendous asset for our city and the residents it attracts and I am confident that they have the marketing expertise, construction experience and financial strength to support its successful completion.

Sincerely,

Henry B. Tilman, Jr.
Business Development Officer

SECTION 5: REQUIRED FORMS—FORM OF PROPOSAL RFP 15-17

Date: 9/6/2017

To Whom It May Concern:

We hereby submit our proposal for City owned property, described as Parking Lot #16 and Salisbury Green as indicated in the Proposal Documents.

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

Proposal Amount for **Parking Lot #16, 206 E. Market Street** \$ 100,000

Proposal Amount for **Salisbury Green, 200 E. Market Street** \$ 25,000

Firm Name

Davis Simpson Holdings LLC

Firm Address

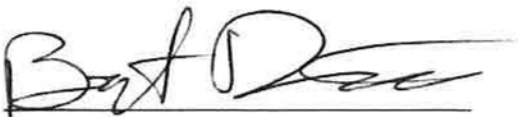
100 N. Division Street #301 Salisbury, ND 21801

City/State/Zip

240-494-6481 / 410-844-4160 Telephone

Fax

bret.davis@kw.com Email



Signature

Bret Davis

Printed Name

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

I hereby affirm that:

I, Bret Davis am the Owner
(Printed Name) (Title) and

the duly authorized representative of the Developer of:

Davis Simpson Holdings LLC
(Name of Firm) whose

address is:

100 W. Division Street #301
(Street)

Salisbury, MD 21801
(City/State/Zip)

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

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

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

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

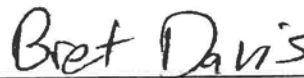
this affidavit in compliance with section 16D of Article 78A of the Annotated Code of Maryland, which provides that certain persons who have been convicted of or have admitted to

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

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



Signature



Printed Name

SECTION 7: REQUIRED FORMS - OWNERSHIP DISCLOSURE FORM

COMPANY NAME: Davis Simpson Holdings LLC

TYPE OF COMPANY (circle one):

ADDRESS: 100 W. Division Street #301

*Sole Proprietorship

Salisbury, MD 21801

*Partnership

*Corporation

FEIN#: 81-5113831

*Limited Liability Corporation

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

NAME	OFFICE HELD	OWNERSHIP INTEREST (Shares Owned or % of Partnership)
Bret Davis	Managing Member	33.33%
Kirk Davis	Member	33.33%
Nick Simpson	Member	33.33%

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

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

OWNERSHIP DISCLOSURE FORM – cont'd

COMPLETE ALL QUESTIONS BELOW

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

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

PRINTED NAME: Bret Davis

SIGNATURE: 

DATE: 9/6/2017

WITNESS: C. Ballard

AFFIX CORPORATE SEAL HERE

SECTION 8: REQUIRED FORMS - NON-COLLUSIVE AFFIDAVIT

Bret Davis being first duly sworn, deposes
and says that:

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

C. Ballard

Witness

Witness

By: Bret Davis

Signature

Bret Davis

Printed Name

Owner

Title

CHELSEA MARIE BALLARD
Notary Public
Wicomico County, Maryland
My Commission Expires 4/20/2020

Exhibit B



Request for Proposal # 15-17

Disposition and Development of Parking Lot 16 and Salisbury Green

Proposal Posted: 07/24/2017, 07/26/2017, 07/28/2017

Pre-Proposal Meeting: 08/9/2017 @ 10:00 a.m.
Government Office Bldg.
125 N. Division St., Room 306
Salisbury, MD 21801

Last Day for Questions: 8/23/2017 @ 12:00 p.m.

Proposal Opening: 9/7/2017 @ 2:30 p.m.
Government Office Bldg.
125 N. Division St., Room 104
Salisbury, MD 21801

Department of Procurement
125 N. Division St., Room 104 Salisbury, MD 21801
PH: 410-548-3190 FX: 410-548-3192
Salisbury, MD 21801

ADVERTISEMENT

CITY OF SALISBURY

RFP 15-17 Disposition & Development of Parking Lot 16 and Salisbury Green

The City of Salisbury seeks a highly qualified and creative real estate development firm to lease or purchase and develop, Un-surplused Parking Lot #16 and an area known as the Salisbury Green in Salisbury, Maryland. Proposed usage is to be evaluated by the City prior to bid award. Vendors are required to document their proposed usage for the property, methodology for achieving proposed usage, financial ability to proceed with the project and benefits to the City of Salisbury.

Proposal documents for RFP 15-17 may be obtained from the City of Salisbury – Department of Procurement, Room 104, Government Office Building, 125 N. Division Street, Salisbury, Maryland 21801, by calling 410-548-3190, during normal business hours, or via our website, www.ci.salisbury.md, Information Center/ Bids & RFPs.

A Pre-Proposal Meeting will be held on Wednesday, August 9th 2017 at 10:00 a.m. in Room 306 of the Government Office Building, address listed above. A site visit for the properties are scheduled immediately after the pre-proposal meeting if needed. Attendance is not mandatory but highly recommended.

Questions are due no later than Wednesday, August 23rd, 2017 at 12:00 p.m. No further questions will be accepted after that date. All questions must be written and can be faxed, mailed, hand delivered or emailed to Michael Lowe, Senior Buyer- Department of Procurement, 125 N. Division Street, Room 104, Salisbury, MD 21801, by fax at 410-548-3192, or via email at mloew@salisbury.md.

Proposal Documents are due in the Office of the Director of Procurement, address above, on Thursday, September 7th, 2017 at 2:30 p.m. at which time and place they will be publicly opened and only the names of vendors read aloud. No late proposals will be accepted, but will be returned unopened.

Jennifer L. Miller,
Director of Procurement
125 N. Division Street, Room 104
Salisbury, MD 21801
Phone: (410) 548-3190
Fax: (410) 548-3192
Email: jennifermiller@salisbury.md

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ATTACHMENTS –

SDAT

LOT #16 DEED

SALISBURY GREEN DEED

PROPOSED RE-SUBDIVISION

SECTION 1: PROJECT OVERVIEW

1.1 General Intent

- a. The City of Salisbury (also referred to as “City” hereafter), through this RFP, seeks a highly qualified and creative real estate development firm to lease or purchase and develop Un-surplused Parking Lot #16 and an area known as the Salisbury Green in Salisbury, Maryland in accordance with applicable regulations. It is therefore the intent of the City of Salisbury to receive proposals that would lead to economic development in its downtown core, while maintaining and enhancing safety, livability and recreation. The completed project would provide a welcoming environment and a sense of community for the City of Salisbury. Parking Lot #16 and The Salisbury Green have not been deemed ‘surplus’ by the City of Salisbury. However, it is the intent of the City to declare both lots ‘surplus’ upon review and acceptance of an offer in response to this RFP.
- b. Entities that submit a proposal for award of this contract are referred to as “proposers” in this document. The firm or individual that is awarded the contract is herein referred to as the “Firm” or “Developer”. The words Bidder, Offeror, Consultant, Proposer, Developer and Contractor may be used interchangeably.

1.2 Background Information– City of Salisbury

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

1.3 Site Description and Zoning

- a. The subject properties are in downtown Salisbury. Subject properties are situated along the South prong of the Wicomico River. They are bordered on the south by the Riverwalk. The north side of the properties are bordered by East Market Street. The downtown area is improved primarily with commercial properties including the Wicomico County Courthouse, Wicomico County Library, Peninsula Regional Medical Center, City and County government office building, retail store, offices, banks, restaurants, etc. There is also a growing number of apartments.
- b. The properties are publicly owned and are partially in the State Enterprise Zone, State Arts & Entertainment District, locally-administered Historic District, and State Sustainable Communities District. Upon a ratified contract, the City of Salisbury will provide contact information for DBED/DHCD/MDP as an entry point to state programs and services for funding opportunities.
- c. A portion of the properties are currently designated as Riverwalk, which shall remain accessible to the public. A proposed Re-Subdivision of the properties is attached within this RFP removing the Riverwalk from the properties. Easements to the Riverwalk and for the exiting stormwater infrastructure will be negotiated during the exclusive negotiating period with the successful proposer.
- d. The properties are rated as an AE EL6 flood zone.
- e. Main Street Master Plan Phase 2 construction is currently underway.

1.4 Summary of Property Information: Note Lot sizes and designations in the description below are reflective of Attachment "Proposed Re-Subdivision".

Name:	206 E. Market Street (Lot 2)
Tax I.D.'s:	Map 107, Grid 0015, Parcel 0902
Ownership:	The City of Salisbury
Location:	Between East Market Street and the South prong of the Wicomico River
Current Use:	Paved Parking Lot
Zoning:	Central Business District
Lot Size:	336' +/- X 93' +/- (30,327 SF +/-)

Name: 206 E. Market Street (Lot 3)
Tax I.D.'s: Map 107, Grid 0015, Parcel 0901
Ownership: The City of Salisbury
Location: Between East Market Street and the South prong of the Wicomico River
Current Use: Salisbury Green
Zoning: Central Business District
Lot Size: 154' +/- X 93' +/- (14,027 SF +/-)

1.5 Development

- a. Proposer will include overview of proposed use/improvement of each property for which a proposal has been submitted.
- b. Proposer will include estimated time frame for proposed use/improvements.
- c. There will be a need for City easements for existing stormwater drains located on each end of the property. In addition there will be a City easement for a water pipe leading to a hydrant on the easterly end of the property.
- d. The developer will be required to plan and construct public parking on one or both properties.
- e. Any proposed building or construction should maintain a well-designed relationship with the existing Riverwalk. The City will also retain fee simple ownership to the Riverwalk on the Wicomico River side of both properties.

END OF SECTION

SECTION 2: PROPOSAL REQUIREMENTS

2.1 General Submittal Information

- a. Proposers, before submitting a proposal, will become fully informed as to the extent and character of the proposal document and are expected to completely familiarize themselves with the requirements of this solicitation and any and all specifications. Failure to do so will not relieve the Proposer of the responsibility to fully perform in accordance therewith. No consideration will be granted for alleged misunderstanding of the material to be furnished or the work to be performed, it being understood that the submission of a proposal is an agreement with all of the items and condition referred to herein.
- b. All offers and any other documents required as noted in this RFP and any addenda must be submitted to Jennifer L. Miller, Director of Procurement, 125 N. Division Street, Room 104, Salisbury, MD 21801, by Thursday, September 7th, 2017, 2:30 p.m. Under no circumstances will offers delivered after the date and time specified be considered. The City of Salisbury will not be responsible for any offer delayed in the postal or other delivery service nor any late offer, amendment, or request for withdrawal of offer, received after the RFP date. Offers received after the date and time for receipt will be returned unopened.
- c. All submitted documents should be prepared in a professional manner and must provide a clear and concise demonstration of the Proposer's capability to satisfy the requirements and objectives of this RFP.
- d. The City of Salisbury will not be limited solely to the information provided by the Proposer, but may utilize other sources of information useful in evaluating the capabilities of the Proposer. Special or unique capabilities or advantages of the Proposer should be clearly stated in the Developer's Development Proposal Document.
- e. All copies of the Proposal submittal and any other documents required to be submitted with the Proposal will be enclosed in a sealed envelope. The envelope will be addressed to the Assistant Director of Internal Services-Procurement Department and will be identified with the project name, project number and the

Proposer's name and address. If the proposal is sent by mail, the sealed envelope will be enclosed in a separate mailing envelope with the notation "**SEALED PROPOSAL ENCLOSED**" on the face thereof.

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

2.2 RFP-specific Submission Requirements

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

- a. Title Page: Show the name of the development firm, address, telephone number, name of contact person, date, and the subject: "RFP 15-17".
- b. Table of Contents: Include a clear identification of the material by section and by page number.
- c. Comprehensive Plan for use of the Site: This should include but not limited to:
 - Plans for renovation or demolition;
 - Use planned when demolition has been completed;
 - Anticipated neighborhood impact. If applicable address:
 - Traffic
 - Parking
 - Pedestrian traffic
 - Noise
 - Construction
 - Discuss how your proposed use is compatible with the surrounding neighborhood.
 - Anticipated date of project / redevelopment completion.
- d. Letter of Interest: Brief history of firm, a statement of the respondent's interest in the proposed properties, and describes the firm's strengths that enhance their

ability to purchase the properties and carry out any proposed improvements to the properties.

- e. Financial Capacity to Complete Proposed Improvements: In order for proposals to be considered, Proposers must submit with their proposal, a letter from a lending institution evidencing the Proposer possesses the ability to obtain the necessary funds to purchase this property. Evidence will include all information necessary to certify that the Proposer: maintains a permanent place of business; has available the organization and qualified manpower to do the proposed improvements; has adequate financial status to meet the financial obligations incidental to the proposed improvements; has not had just or proper claims pending against him or his company. **Failure to submit this letter with your proposal will result in rejection of your proposal.**
- f. Additional Background: You are invited to include a maximum of five pages of information not included above which you feel may be useful and applicable to this project.
- g. City Forms: Submit the following completed forms provided in the RFP (found in Sections 5, 6, 7 & 8):
 - i. Section 5: Form of Proposal RFP 15-17
 - ii. Section 6: Developer's Affidavit of Qualification to Proposal
 - iii. Section 7: Ownership Disclosure Form
 - iv. Section 8: Non-Collusive Affidavit

2.3 Completion of Proposal Documents

- a. Use only forms supplied by the City.
- b. Submit one (1) original and three (3) copies of completed Proposal Documents. Each copy of the proposal will be bound in a single volume. All documents submitted with the proposal will be bound in that single volume.

All blanks on the form will be filled in by typewriter or manually in ink.

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

2.4 Deposit

- a. Each Development Proposal Document will be accompanied by a bid bond, in a form and by a surety company approved by the City. The bond must be in an amount not less than ten percent (10%) of the base bid. Certified or cashier's checks are acceptable in lieu of bid bond, subject to the same conditions. Bonds and checks will be made payable to the City. AIA Bid Bond forms are acceptable.
- b. Return of Proposal Security
 - i. At award of a contract, all unsuccessful Proposers' proposal securities will be returned.
 - ii. The proposal security will be returned to the successful Proposer upon execution of the Land Disposition Contract or applied to the sale/lease as decided upon in the ENP.

END OF SECTION

SECTION 3: EVALUATION AND SELECTION PROCESS

3.1 Opening of Proposals

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

3.2 Acceptance or Rejection of Proposals

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

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

3.3 Award Procedures

- a. The City will issue an Exclusive Negotiating Privilege (ENP) to the selected Proposer setting out specific requirements and deadlines for fulfilling the requirements of the project (including but not limited to the statements and ideas expressed herein). If negotiations have not been completed within 180 days after selection of a Developer, then the ENP will expire. The City may extend that time period if both parties find that negotiations are proceeding satisfactorily. Should the parties fail to agree upon a contract within a reasonable time, the City, at its sole discretion, may cancel negotiations with the first selected Developer and proceed with the next acceptable Development Proposal Document, re-solicit for new proposals, or abandon the Proposal Document.
- b. After successful completion of the ENP period, the City will then enter into a Land Disposition Contract (LDC) setting forth the terms and conditions of the lease or sale

of the subject property (properties). Approval of a LDC is by action of the City Council.

3.4 Land Disposition Contract

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

not to sell, lease or otherwise transfer the interest acquired or any part thereof without the prior written consent of the City, until the City will have certified, in writing, that the purchaser has completed construction. In the absence of any such written agreement, no such transfer will be effective and will not relieve the purchaser of its obligations under the LDC;

- vii. The purchaser will agree that prior to completion of the development, it may not mortgage or encumber the property except for the purpose of obtaining funds to purchase the property and funds only to the extent necessary for making the improvements. The City will agree that no mortgagee will be required to construct or complete the improvements. The purchaser will agree that in the event of default in the purchaser's mortgage, the City will have the option of paying to the holder the amount of the mortgage debt and securing an assignment of the mortgage and the debt secured thereby;
- viii. The purchaser will agree that prior to conveyance of the property if the purchaser, in violation of the LDC, assigns or attempts to assign the LDC or does not submit a final development plan within the time as required by the LDC or does not pay the purchase price and take title to the property upon tender of conveyance by the City pursuant to the LDC, then, in such event, the LDC, at the option of the City, will be terminated, and the deposit will be retained by the City as liquidated damages;
- ix. The purchaser will agree that in the event that subsequent to the conveyance of the property to the purchaser, the purchaser will default in or violate the LDC, prior to the completion of the development as certified by the City, including but not limited to failing to construct the improvements, or will abandon or substantially suspend construction work or by failing to begin or complete the project in the period specified in the LDC or by failing to pay real estate taxes or suffer any levy or attachment or any unauthorized change in ownership and such violation is not cured after sixty (60) days' written demand by the City, then the City will have the right to reenter and take possession of the property and to terminate (and revert to the City) the estate conveyed by deed to the purchaser and declare a termination of the LDC and revert the property to the City, and the City will have, in such event, the power to execute and file for record in the land records a declaration of termination of all right, title and interest of the purchaser, provided that this provision will be limited by and will not defeat or limit the lien of any mortgage authorized by the LDC and will not apply to any parts or properties upon which the improvements have been completed in accordance with the LDC and for which a certificate of completion has been issued.

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

- xii. Easements for installation and maintenance of utilities will be reserved to the City as required.

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

END OF SECTION

SECTION 4: GENERAL INFORMATION

4.1 Economy of Proposal

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

4.2 Proprietary Information or Trade Secrets

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

4.3 Ownership of Materials

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

4.4 Audit

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

4.5 Contract Award

- a. A Land Disposition Contract will result from award of this RFP. If the accepted Proposer will fail or refuse to sign and deliver this contract and the required surety bonds and insurance documentation, the City of Salisbury will retain, as partial damages for such failure or refusal, the Proposal Security of such defaulting Proposer. If the accepted Proposer defaults in its performance under the agreement and does not cure the default within 30 days after written notice of default, the City of Salisbury may terminate the agreement, in whole or in part, upon written notice without penalty to the City of Salisbury. Contract will be executed by the successful Proposer within fifteen (15) days of receipt of Contract as time is of the essence.
- b. Proposals and contracts issued by the City of Salisbury will bind the Firm to applicable conditions and requirements herein set forth, unless otherwise specified in the proposal documents, and are subject to all federal, state, and municipal laws, rules, regulations, and limitations. This contract will be construed and interpreted in accordance with the laws of the State of Maryland and all questions of performance hereunder will be determined in accordance with such laws.
- c. City of Salisbury personal property taxes must be on a current basis; if any such taxes are delinquent, they must be paid before award of contract. Failure to pay will result in the award of proposal to another firm.
- d. The City of Salisbury reserves the right to engage in individual discussions and interviews with those Proposers deemed fully qualified, responsible, suitable and professionally competent to provide the required services should the project size warrant it. Proposers will be encouraged to elaborate on their qualifications, performance data, and staff expertise. Proprietary information from competing Proposers will not be disclosed to the public or to competitors.

4.6 Modification or Withdrawal of Proposal

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

4.7 Default

- a. The contract may be cancelled or annulled by the City in whole or in part by written notice of default to the Firm upon non-performance, violation of contract terms, delivery failure, bankruptcy or insolvency, any violation of state or local laws, or the making of an assignment for the benefit of creditors. An award may then be made to the next low Proposer, or when time is of the essence, similar commodities and/or

service may be purchased on the open market. In either event, the defaulting Firm (or his surety) will be liable to the city for cost to the City in excess of the defaulted contract price.

4.8 Collusion/Financial Benefit

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

4.9 Indemnity

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

4.10 Suspension or Termination for Convenience

- a. The City will have the right, at any time by written notice, for its convenience, to suspend the work for such time as may be determined by the City to be necessary or desirable up to ninety (90) days, unless a longer time is agreed upon in writing by both parties; and thereafter, to require resumption of the whole or any part of the work without invalidating the provisions of this contract.

- b. The City will have the right, at any time by written notice, for its convenience, to terminate the work in whole or in part.
- c. Any notice issued pursuant to Sections A and/or B above will state the extent and effective date of such notice, except as otherwise directed, the Firm will stop work on the date of receipt of the Notice of Termination or other date specified in the notice; place no further orders or subcontracts for materials, services, or facilities, except as necessary for the completion of such portion of the work not terminated.
- d. In the event of a termination, pursuant to Section B above, the City will pay the Firm's expenses verified by final invoice as set forth in Section D for the following:
 - i. Completed and acceptable work executed in accordance with the Contract documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit for such work;
 - ii. Expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by Contract Documents in connection with uncompleted work, plus fair and reasonable sums for overhead and profit.
- e. The Firm will not be paid on account of loss of anticipated profits or revenues or for work not completed prior to the date of termination of the Contract.

4.11 Contract Changes

- a. **NO CLAIMS** may be made by anyone that the scope of the project or that the Firm's services have been changed **UNLESS** such changes or adjustments have been made by an approved **WRITTEN AMENDMENT (Change Order)** to the Contract signed by the Assistant Director of Internal Services-Procurement Division (and the City Council, if required), prior to extra work being initiated. Changes performed without prior, approved, written authority will be considered as unauthorized and at the expense of the Firm. Payment will not be made by the City of Salisbury (Owner) for said changes not approved as aforementioned.
- b. **NO ORAL** conversations, agreements, discussions, or suggestions, which involve changes to the scope of the Contract, made by anyone including any City of Salisbury employee, will be honored or valid. No written agreements or changes to the scope of the Contract made by anyone other than the Assistant Director of Internal Services-Procurement Division (with City Council approval, if required) will be honored or valid.

- c. If any change ordered in the work results in a reduction in the work, the Firm will neither have, nor assert any claim for, nor be entitled to any additional compensation for damages or for loss of anticipated profits on work that is eliminated.
- d. No inspection, or any failure to inspect, at any time or place, will relieve the Firm from his obligation to perform all the work strictly in accordance with the requirements of the specifications. The Firm's Project Representatives are NOT authorized to revoke, alter, enlarge, relax, or release any requirement of these specifications, or to approve or accept any portion of the Contract, or to issue instruction contrary to the drawings and specifications of the Contract.

4.12 Addendum

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

- d. The Assistant Director of Internal Services—Procurement Department, reserves the right to postpone the proposal opening for any major changes occurring in the 5-day interim which would otherwise necessitate an Addendum.

4.13 Insurance Requirements

- a. **ON ALL LIABILITY INSURANCE POLICIES, CITY OF SALISBURY, ITS EMPLOYEES, AND OFFICERS MUST BE NAMED AS ADDITIONAL INSURED, AND INSURANCE CERTIFICATES FURNISHED TO THE CITY WILL INDICATE SUCH COVERAGE.**
- b. Unless otherwise required by Special Conditions for this Invitation to Proposal, if a contract is awarded, the firm will be required to purchase and maintain during the life of the contract the following types and amounts of insurance (at minimum).
- c. Comprehensive General Commercial Liability: \$1,000,000 (One million dollars) combined single limit per occurrence for bodily injury, personal injury and property damage. The general aggregate limit will apply separately to the project/location or the general aggregate will be twice the required occurrence limit.
- d. Comprehensive Automobile Liability: \$1,000,000 (One million dollars) combined single limit per accident for bodily injury and property damage.
- e. Workers Compensation and Employer's Liability: Worker's Compensation as required by the Code of the State of Maryland and Employer's Liability with limits of \$1,000,000 (One million dollars) per accident.
- f. The Proposers will provide the City with certificates of insurance evidencing the coverage required above. Such certificates will provide that the City be given at least thirty (30) days prior written notice of cancellation of, intention to not renew, or material change in such coverage. Proposer must provide certificates of insurance before commencing work in conjunction with the contract.
- g. **THE PROVIDING OF ANY INSURANCE REQUIRED HEREIN DOES NOT RELIEVE THE FIRM OF ANY OF THE RESPONSIBILITIES OR OBLIGATIONS ASSUMED BY THE FIRM IN THE CONTRACT AWARDED, OR FOR WHICH THE FIRM MAY BE LIABLE BY LAW OR OTHERWISE.**
- h. Failure to provide and continue in force such insurance as required above, will be deemed a material breach of the Contract, will cause the Firm to be in DEFAULT, and will operate as an immediate termination thereof. The City reserves the right to require higher limits on any contract. A 30-day notice in writing of cancellation or non-renewal will be furnished by certified mail to the Assistant Director of Internal

Services—Procurement Division at the address listed in solicitation. The Firm/Vendor agrees to be responsible for, indemnify, defend and hold harmless the City, its officers, agents and employees from the payment of all sums of money by reason of any claim against them arising out of any and all occurrences resulting in damage that may happen in connection with and during the performance of the contract including, but not limited to, claims under the Worker's Compensation Act.

4.14 Cancellation of the Proposal Document/Rejection of All Proposals

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

4.15 Evaluation Criteria

- a. The following table shows evaluation criteria:

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

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

Unacceptable 0

Poor 1

Fair 2

Good 3

Superior 4

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

END OF SECTION

SECTION 5: REQUIRED FORMS—FORM OF PROPOSAL RFP 15-17

Date: _____

To Whom It May Concern:

We hereby submit our proposal for City owned property, described as Parking Lot #16 and Salisbury Green as indicated in the Proposal Documents.

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

Proposal Amount for **Parking Lot #16, 206 E. Market Street** \$ _____

Proposal Amount for **Salisbury Green, 200 E. Market Street** \$ _____

Firm Name

Firm Address

City/State/Zip

Telephone

Fax

Email

Signature

Printed Name

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

I hereby affirm that:

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

the duly authorized representative of the Developer of:

(Name of Firm) whose
address is:

(Street)

(City/State/Zip)

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

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

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

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

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

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

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

Signature

Printed Name

SECTION 7: REQUIRED FORMS - OWNERSHIP DISCLOSURE FORM

COMPANY NAME: _____

TYPE OF COMPANY (circle one):

ADDRESS: _____

*Sole Proprietorship

*Partnership

*Corporation

FEIN#: _____

*Limited Liability Corporation

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

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

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

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

OWNERSHIP DISCLOSURE FORM – cont'd

COMPLETE ALL QUESTIONS BELOW

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

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

PRINTED NAME: _____

SIGNATURE: _____

DATE: _____

WITNESS: _____

AFFIX CORPORATE SEAL HERE

SECTION 8: REQUIRED FORMS - NON-COLLUSIVE AFFIDAVIT

_____ being first duly sworn, deposes
and says that:

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

Witness

Witness

By: _____
Signature

Printed Name

Title

SECTION 9: RESOURCES

9.1 Links to Additional Resources

a. Downtown Revitalization Plan:

[http://www.ci.salisbury.md.us/business/downtown-revitalization.](http://www.ci.salisbury.md.us/business/downtown-revitalization)

b. Salisbury's Plan for Infrastructure Investments 2017-2021:

<http://www.ci.salisbury.md.us/wp-content/uploads/2013/07/Salisbury-CIP-FY17-FY21.pdf>

c. Salisbury's Mainstreet Master Plan: http://www.ci.salisbury.md.us/wp-content/uploads/2012/10/2014.07.23-Main-Street-Masterplan_SACC-Meeting-AMT-PPT2.pdf

Guide to searching the database

View Map		View GroundRent Redemption		View GroundRent Registration	
Account Identifier:		District - 05 Account Number - 057825			
Owner Information					
Owner Name:		SALISBURY CITY OF		Use:	EXEMPT COMMERCIAL
Mailing Address:		125 N DIVISION ST SALISBURY MD 21801-5030		Principal Residence:	NO
				Deed Reference:	/00888/ 00706
Location & Structure Information					
Premises Address:		200 E MARKET ST SALISBURY 21801-0000		Legal Description:	BL I L 76 77 78 200-202-204 MARKET ST CITY OF SALIS
Map:	Grid:	Parcel:	Sub District:	Subdivision:	Section: Block: Lot:
0107	0015	0901		0000	I 2017
Special Tax Areas:			Town: SALISBURY		
			Ad Valorem:		
			Tax Class:		
Primary Structure Built		Above Grade Living Area		Finished Basement Area	Property Land Area
					14,489 SF
Stories	Basement	Type	Exterior	Full/Half Bath	Garage Last Major Renovation
Value Information					
		Base Value	Value	Phase-in Assessments	
			As of	As of	As of
			01/01/2017	07/01/2016	07/01/2017
Land:		165,100	173,800		
Improvements		0	0		
Total:		165,100	173,800	165,100	168,000
Preferential Land:		0			0
Transfer Information					
Seller: MARKET VILLAGE CORP			Date: 12/09/1977		Price: \$0
Type: ARMS LENGTH IMPROVED			Deed1: /00888/ 00706		Deed2:
Seller:			Date:		Price:
Type:			Deed1:		Deed2:
Seller:			Date:		Price:
Type:			Deed1:		Deed2:
Exemption Information					
Partial Exempt Assessments:		Class	07/01/2016	07/01/2017	
County:		680	165,100.00	168,000.00	
State:		680	165,100.00	168,000.00	
Municipal:		680	165,100.00	168,000.00	165,100.00 168,000.00
Tax Exempt:			Special Tax Recapture:		
Exempt Class:			NONE		
Homestead Application Information					
Homestead Application Status: No Application					
Homeowners' Tax Credit Application Information					
Homeowners' Tax Credit Application Status: No Application			Date:		

28. While we have confidence in the results of the USFPA report, the US Customs and Border Protection could improve its reporting by providing more information about the methodology used to conduct the survey.

Real Property Data Search (not)

Guide to searching the database

Search Result for WICOMICO COUNTY

View Map		View GroundRent Redemption		View GroundRent Registration	
Account Identifier:		District - 05 Account Number - 013216			
Owner Information					
Owner Name:		SALISBURY CITY OF		Use:	EXEMPT COMMERCIAL
Mailing Address:		125 N DIVISION ST SALISBURY MD 21801-5030		Principal Residence:	NO
				Deed Reference:	/00894/ 00052
Location & Structure Information					
Premises Address:		206 E MARKET ST SALISBURY 21801-0000		Legal Description:	L-336X97&75.5X31 AV 206-300 E MARKET STREET CITY OF SALIS
Map:	Grid:	Parcel:	Sub District:	Subdivision:	Section: Block: Lot: Assessment Year: Plat No: Plat Ref:
0107	0015	0902		0000	2017
Special Tax Areas:		Town: SALISBURY			
		Ad Valorem:			
		Tax Class:			
Primary Structure Built	Above Grade Living Area	Finished Basement Area	Property Land Area	County Use	
			34,144 SF		
Stories	Basement	Type	Exterior	Full/Half Bath	Garage Last Major Renovation
Value Information					
		Base Value	Value	Phase-in Assessments	
			As of	As of	As of
			01/01/2017	07/01/2016	07/01/2017
Land:		324,300	341,400		
Improvements		0	0		
Total:		324,300	341,400	324,300	330,000
Preferential Land:		0			0
Transfer Information					
Seller: SALISBURY, CITY OF		Date: 07/14/1978		Price: \$0	
Type: NON-ARMS LENGTH OTHER		Deed1: /00894/ 00052		Deed2:	
Seller: LARMAR CORP		Date: 03/03/1978		Price: \$240,000	
Type: ARMS LENGTH IMPROVED		Deed1: /00000/ 00052		Deed2:	
Seller:		Date:		Price:	
Type:		Deed1:		Deed2:	
Exemption Information					
Partial Exempt Assessments:	Class	07/01/2016		07/01/2017	
County:	680	324,300.00		330,000.00	
State:	680	324,300.00		330,000.00	
Municipal:	680	324,300.00 330,000.00		324,300.00 330,000.00	
Tax Exempt:		Special Tax Recapture:			
Exempt Class:		NONE			
Homestead Application Information					
Homestead Application Status: No Application					
Homeowners' Tax Credit Application Information					
Homeowners' Tax Credit Application Status: No Application		Date:			

8. The information provided on this page is for informational purposes only and does not constitute a guarantee, warranty, or endorsement of the accuracy or completeness of the information. We have confidence in

W I T N E S S E T H

THAT FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good, valuable and sufficient considerations, receipt of which is hereby acknowledged, the said Larmar Corporation, as aforesaid, does hereby grant and convey unto The City of Salisbury, a municipal corporation of the State of Maryland, its successors and assigns, forever in fee simple, ALL that lot or parcel of land, situate, lying and being in the City of Salisbury, in Parsons Election District, Wicomico County, Maryland, and on the Southerly side of and binding upon Market Street and on the Northerly side of and binding upon the east branch of the Wicomico River and having a frontage on said Market Street of 411.44 feet and extending back therefrom along the Easterly line thereof to a depth of 97.4 feet and extending back therefrom along the Westerly line thereof to a depth of 97.4 feet and having a width in the rear by and along the Wicomico River of 411.44 feet and containing 38,962 square feet of land, more or less, and being more particularly shown and designated as Parcel P-3, on plat entitled "Urban River & Market St. Right of Way", approved by Philip C. Cooper, City Engineer, on July 11, 1977 and recorded among the Land Records for Wicomico County, Maryland, in Plat Book Liber A.J.S. No. 5, Folio 20, and being in all respects the same land which was conveyed unto the said Larmar Corporation by the following three deeds: (1) From Cecelia M. Goldman and husband, dated January 2, 1959 and recorded among the aforesaid Land Records in Liber J.W.T.S. No. 446, Folio 348, (2) From Ellet A. Lewis and wife by deed dated January 22, 1948 and recorded among the aforesaid Land Records in Liber J.W.T.S. No. 294, Folio 287 and (3) From Bertha McGrath Lewis by deed dated July 1, 1950 and recorded among the aforesaid Land Records in Liber J.W.T.S. No. 318, Folio 187.

REFERENCE to the aforesaid deeds and plat is hereby made for a more definite description of the proeprty hereby granted and conveyed, or for any other purpose to the same extent as though herein more fully set forth.

**RICHARDSON, ~~REDACTED~~,
ANDERSON & HELAND
ATTORNEYS AT LAW
RICHARDSON BUILDING
SALISBURY, MARYLAND
21801
(301) 742-8744**

LMB 894 PAGE 53

TOGETHER with the buildings and improvements thereon and all the rights, ways, privileges and appurtenances to the same belonging or in anywise appertaining.

TO HAVE AND TO HOLD the above-described property unto The City of Salisbury, a municipal corporation of the State of Maryland, its successors and assigns, forever in fee simple.

AND the said Larmar Corporation, as aforesaid, hereby covenants that it has done no act to encumber said land, that it will warrant specially the property hereby granted and conveyed, and that it will execute such other and further assurances of the same as may be requisite.

AS WITNESS the due execution hereof the day and year first before

ATTEST

Frances Landing
Frances Landing, Secretary

LARMAR CORPORATION

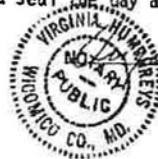
By *Oscar L. Carey*
Oscar L. Carey, President

STATE OF MARYLAND, WICOMICO COUNTY, to-wit:

I HEREBY CERTIFY, That on this 3rd day of March, 1978, before me, the subscriber, a Notary Public of the State of Maryland, in and for Wicomico County, aforesaid, personally appeared *Oscar L. Carey*, who acknowledged himself to be the President of Larmar Corporation, and that he as such President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing, in my presence, the name of the said corporation by himself as President, and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of Larmar Corporation.

AS WITNESS my hand and seal the day and year first above written.

RICHARDSON, ~~REMOVED~~
ANDERSON & HELAND
ATTORNEYS AT LAW
RICHARDSON BUILDING
SALISBURY, MARYLAND
21801
(301) 742-0744



Notary Public

008***** 098822 * 8L-E-WM
008***** 09882 * 8L-E-WM

Received for Record Mar 9, 1978 and recorded in the
Land Records of Wicomico County, Maryland in Liber A.J.S.
No. 894, Folios 52-53

G. James Smith Clerk

E. + Hel. W.C. Anderson, atty. 3/9/78

LIBER 888 PAGE 706

THIS DEED, Made this 6th day of December, 1977, by Market Village Corporation, a body corporate of the State of Maryland,

WITNESSETH

THAT FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good, valuable and sufficient considerations, receipt of which is hereby acknowledged, the said Market Village Corporation, as aforesaid, does hereby grant and convey unto The City of Salisbury, a municipal corporation of the State of Maryland, its successors and assigns, forever in fee simple, All that lot or parcel of land, situate, lying and being in the City of Salisbury, in Parsons Election District, Wicomico County, Maryland, and on the Southerly side of and binding upon Market Street and on the Northerly side of and binding upon the South Prong of the Wicomico River and having a frontage thereon of 51.43 feet and extending back therefrom along the Easterly line to East Market Street a distance of 97.4 feet and extending back therefrom along the Westerly line to East Market Street a distance of 97.4 feet and having a frontage on East Market Street of 51.43 feet and containing 4870 square feet of land, more or less, and being more particularly shown and designated as Parcel P. 5, on plat entitled "Urban River - Market St. Right-of-Way", approved by Philip C. Cooper, City Engineer, on July 11, 1977 and recorded among the Land Records for Wicomico County, Maryland, in Plat Book Liber A.J.S. No. 5, Folio 20, and being in all respects the same land which was conveyed unto Market Village Corporation by deed from Peninsula Properties, Inc. dated April 1, 1975 and recorded among the Land Records for Wicomico County, Maryland, in Liber A.J.S. No. 835, Folio 270.

REFERENCE to said deed, plat and to preceding deeds of the property hereby conveyed and to the references contained therein is hereby made a part hereof as if herein fully set forth.

TOGETHER with the improvements thereon and all the rights, ways, roads, privileges, appurtenances and advantages thereto belonging or in any wise appertaining.

WICOMICO COUNTY CIRCUIT COURT (Land Records) A.J.S. 888, p. 0706, MSA_CE100_863. Date available 01/14/2006. Printed 06/29/2017.

RICHARDSON, ~~REDACTED~~
ANDERSON & HELAND
ATTORNEYS AT LAW
RICHARDSON BUILDING
SALISBURY, MARYLAND
21801
(301) 742-8744

LINER 888 PAGE 707

TO HAVE AND TO HOLD the parcel of land hereinabove described unto and to the use of the City of Salisbury, its successors and assigns, forever in fee simple.

AND the said Market Village Corporation, as aforesaid, does hereby covenant that it has done no act to encumber said land, that it will warrant specially the property hereby conveyed and that it will execute such other and further assurances thereof as may be requisite.

AS WITNESS the due execution hereof the day and year first before written.

ATTEST:

[Signature] Market Village Corporation
by *Victor H. Lewis*, Pres. (SEAL)

STATE OF MARYLAND, COUNTY OF WICOMICO, to-wit:

I HEREBY CERTIFY that on this 16 day of December, 1977, before me, the undersigned officer, personally appeared Victor H. Lewis, President, of Market Village Corporation, and on behalf of Market Village Corporation he did acknowledge the foregoing deed to be the act and deed of said body corporate, and certified that this conveyance is not part of a transaction in which there is a sale, lease, exchange or other transfer of all or substantially all of the property and assets of said corporation.

AS WITNESS my hand and seal the day and year first before written.

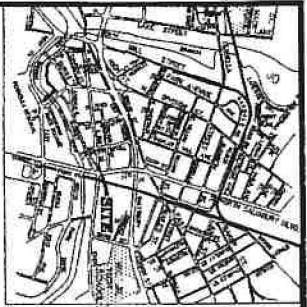
[Signature]
Notary Public

RICHARDSON, ~~ANDERSON~~
ANDERSON & HELAND
ATTORNEYS AT LAW
RICHARDSON BUILDING
SALISBURY, MARYLAND
21801

13011 742-8744
008***** 61922 * LL-6-338
008***** 61922 * LL-6-338

Received for Record Dec 9, 1977 and recorded in the
Land Records of Wicomico County, Maryland in Liber A.J.S.
No. 888, Folios 206-207
[Signature] Clerk

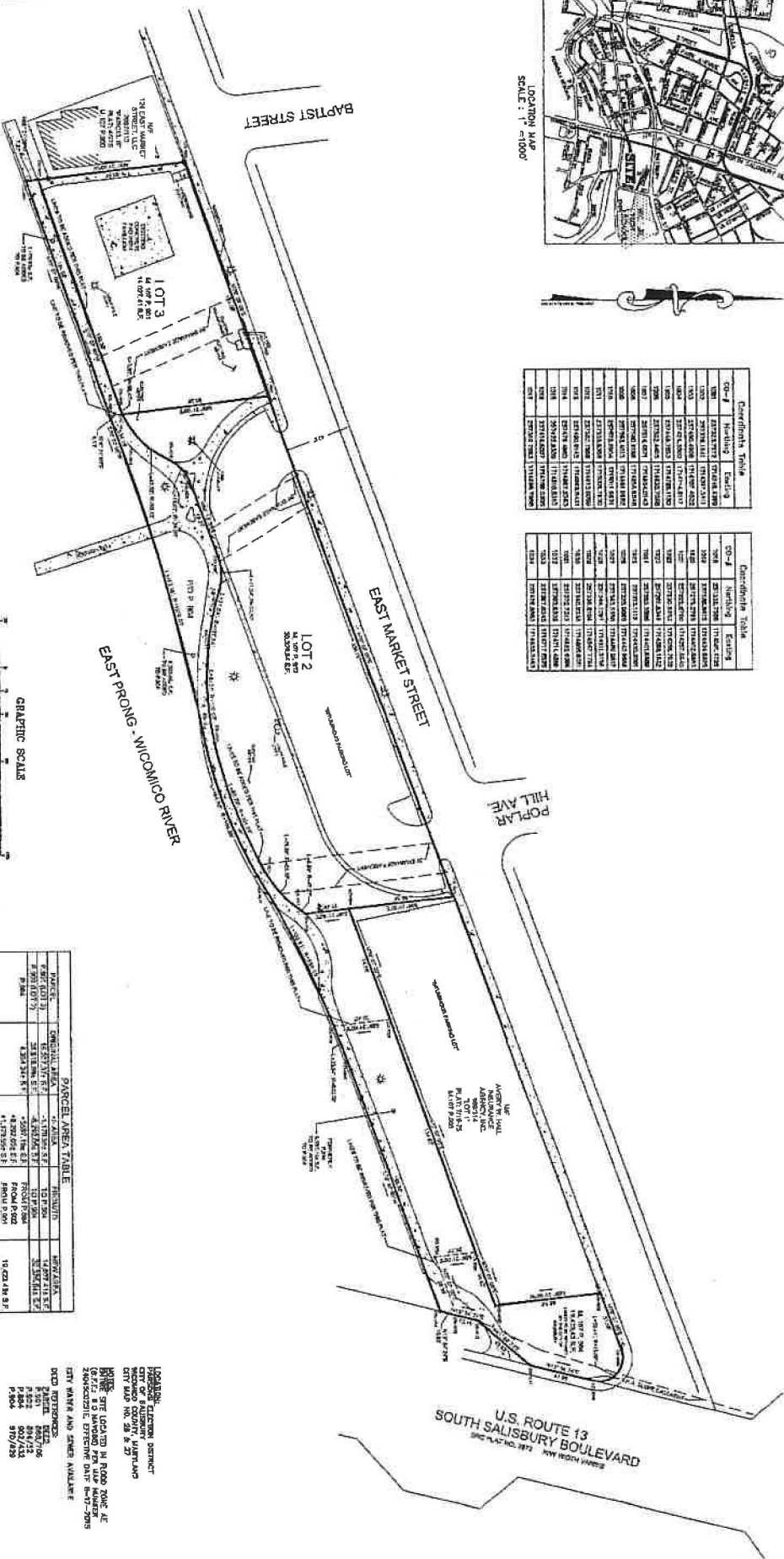
E. & D. C. A., atty. 1/12/78



LOCATION MAP
SCALE: 1" = 1000'

Parcel #	Use	Area (Ac.)	Area (Sq. Ft.)
1001	Residential	1.00	43,560
1002	Residential	1.00	43,560
1003	Residential	1.00	43,560
1004	Residential	1.00	43,560
1005	Residential	1.00	43,560
1006	Residential	1.00	43,560
1007	Residential	1.00	43,560
1008	Residential	1.00	43,560
1009	Residential	1.00	43,560
1010	Residential	1.00	43,560
1011	Residential	1.00	43,560
1012	Residential	1.00	43,560
1013	Residential	1.00	43,560
1014	Residential	1.00	43,560
1015	Residential	1.00	43,560
1016	Residential	1.00	43,560
1017	Residential	1.00	43,560
1018	Residential	1.00	43,560
1019	Residential	1.00	43,560
1020	Residential	1.00	43,560

Parcel #	Use	Area (Ac.)	Area (Sq. Ft.)
1021	Residential	1.00	43,560
1022	Residential	1.00	43,560
1023	Residential	1.00	43,560
1024	Residential	1.00	43,560
1025	Residential	1.00	43,560
1026	Residential	1.00	43,560
1027	Residential	1.00	43,560
1028	Residential	1.00	43,560
1029	Residential	1.00	43,560
1030	Residential	1.00	43,560
1031	Residential	1.00	43,560
1032	Residential	1.00	43,560
1033	Residential	1.00	43,560
1034	Residential	1.00	43,560
1035	Residential	1.00	43,560
1036	Residential	1.00	43,560
1037	Residential	1.00	43,560
1038	Residential	1.00	43,560
1039	Residential	1.00	43,560
1040	Residential	1.00	43,560



Parcel #	Use	Area (Ac.)	Area (Sq. Ft.)
1041	Residential	1.00	43,560
1042	Residential	1.00	43,560
1043	Residential	1.00	43,560
1044	Residential	1.00	43,560
1045	Residential	1.00	43,560
1046	Residential	1.00	43,560
1047	Residential	1.00	43,560
1048	Residential	1.00	43,560
1049	Residential	1.00	43,560
1050	Residential	1.00	43,560
1051	Residential	1.00	43,560
1052	Residential	1.00	43,560
1053	Residential	1.00	43,560
1054	Residential	1.00	43,560
1055	Residential	1.00	43,560
1056	Residential	1.00	43,560
1057	Residential	1.00	43,560
1058	Residential	1.00	43,560
1059	Residential	1.00	43,560
1060	Residential	1.00	43,560

- GENERAL NOTES**
1. All notes and specifications shall be read in conjunction with the plans and specifications for the project.
 2. The project shall be completed within the time frame specified in the contract.
 3. The project shall be completed in accordance with the plans and specifications.
 4. The project shall be completed in accordance with the plans and specifications.
 5. The project shall be completed in accordance with the plans and specifications.

City of Salisbury, Maryland
 Mayor: [Name]
 City Manager: [Name]
 Date: [Date]

APPROVALS

Planning & Zoning
 Director: [Name]
 Date: [Date]

Public Health
 Director: [Name]
 Date: [Date]

RESUBDIVISION

CITY OF SALISBURY, MD
 (KNOWN AS "SALISBURY CITIES" AND "PARKING LOT 10")
 MAP NO. 101, PARCELS 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 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1578, 1579, 1580, 1581, 1582, 1583, 1584, 1585, 1586, 1587, 1588, 1589, 1590, 1591, 1592, 1593, 1594

Disposition Contract

THIS DISPOSITION CONTRACT is made this 26 day of June, 2018, between the City of Salisbury, Maryland, ("Seller"), and Davis Simpson Holdings, LLC, a Limited Liability Company located in Salisbury, Wicomico County, Maryland, ("Buyer").

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

A. A portion of that land, together with all appurtenances thereto belonging which are located at 206 E. Market Street, Salisbury, Maryland, being more particularly described as a portion of that lot or parcel of land designated and located at 206 E. Market Street, binding upon the southerly side of East Market Street and binding upon the northerly side of the East Prong of the Wicomico River, shown on Maryland tax map 0107 grid 0015, parcel 0902, and shown as Lot 2 on the Plat entitled "Resubdivision Lands of City of Salisbury, MD" dated June 23, 2017, also known as Parking Lot 16, an accurate legal description of which is to be provided to the Seller by the Buyer; the land shall be subdivided with the Riverwalk portion of the property to be retained by the Seller; the Land and the structure, together with all appliances and fixtures, are hereinafter collectively referred to as the "Property."

B. Buyer hereby agrees that Seller will reserve all appropriate easements for sidewalks and for installation and maintenance of utilities and roadways, including but not limited to fire hydrants and the corresponding water supply. In addition to the City's normal and customary easements, it is specifically noted that there shall be an easement for access to the Riverwalk. There shall also be an easement for access and maintenance of the existing stormwater infrastructure.

1. PURCHASE PRICE AND METHOD OF PAYMENT: The purchase price shall be FIFTEEN THOUSAND DOLLARS ----- (\$ 15,000.00) of which ONE THOUSAND DOLLARS ----- (\$ 1,000.00) shall have been paid prior to the signing of this contract. The deposit shall be held in a non-interest bearing escrow account of the City with the deposit to be applied to the purchase price and closing costs at Final Settlement, and any remaining deposit to be refunded to the Buyer after Final Settlement.

At the time of the Initial Settlement, hereinafter defined, the initial payment on the Purchase Price shall be ONE DOLLAR (\$1.00) (the "initial payment"). At the time of issuance of a Building Permit by the City of Salisbury Department of Infrastructure and Development, that satisfies the requirements of Section 12.D. of this Disposition Contract, there shall be a Final Settlement. At the time of the Final Settlement, the balance of the Purchase Price, _____, shall be paid to Seller (the "Final Settlement").

2. TO BE PAID IN THE FOLLOWING MANNER:

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

3. REPRESENTATIONS OF SELLER.

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

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

B. Seller hereby certifies to Buyer that there is no tenant with any right to possession of the property.

C. After the Initial Settlement and prior to recording of the Deed, Seller shall remain in possession of the property until Final Settlement and the Buyer has made the Final Payment. After payment and recording of the deed to Buyer, Seller shall remain a tenant with right to possession of the Property. Davis Simpson Holdings, LLC and the City shall execute a Lease Agreement prior to final settlement for the City to continue to operate Parking Lot #16. The Lease Agreement shall be a year-to-year lease renewable by the City or Davis Simpson Holdings, LLC annually, at the annual price of \$1.00. If no action is taken by either party, the lease shall automatically renew with the same terms as the prior year until construction commences. The lease shall commence at final settlement and end upon commencement of construction. City's rent shall be a total of \$1.00 per year. During the lease, the City shall be responsible for repair & maintenance of the existing lots and any portion of the Property which remains available to be leased by the City for parking each year. The City shall be responsible for all expenses, not caused by the intentional or negligent actions of Davis Simpson Holdings, LLC, its agents, employees or Contractors. The City's responsibility under the lease shall include but is not limited to paving and patching repairs, sidewalk repairs, storm water repairs, repair of all light poles and bulbs, city real estate taxes and the storm-water management utility fee, snow removal/salting and all utilities. Davis Simpson Holdings, LLC shall be responsible for all the county real estate taxes after the payment of \$5,000 and the recording of the deed to Buyer at final settlement.

D. At Final Settlement, excepting this Contract and its attachments, there will be no contracts affecting the Property or any part thereof, no contracts or agreements for the management of the Property, or any part thereof, and there will be no commission due or owing in connection with any lease or on account of any tenancy or sale of the Property. It is understood the City may have from time to time contracts for repairs and maintenance of the Parking Lot.

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

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

G. 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.

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

4. DELIVERY OF CERTAIN MATERIALS TO SELLER AND BUYER.

Promptly, but in no event later than sixty (60) days following the completion of the study period hereof, Buyer shall deliver to the City Solicitor its proposed survey and legal description of the property to be conveyed pursuant to this Contract.

5. ADDITIONAL UNDERTAKINGS.

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

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

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

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

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

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

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

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

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

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

contract and forthwith receive a full refund of the Deposit paid hereunder.

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

6. BUYER PURCHASES THE PROPERTY "AS IS."

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

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

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

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

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

7. SETTLEMENT ATTORNEY/TITLE COMPANY:

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

8. SETTLEMENT:

Initial Settlement shall be held in Salisbury, Wicomico County, Maryland, on or before ____ day of _____, 2018 (the "Initial Settlement Date"). At Initial Settlement, the Seller shall execute:

A. A deed to the Property, containing a covenant of special warranty and further assurances, which

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

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

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

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

10. A. BUYERS' REMEDIES. In the event the Seller should be in default of any obligation on its part to be performed hereunder, or in the event any representation or warranty of Seller should be incorrect, or in the event any condition or obligation referred to in Contract shall not be satisfied within the time period specified, then, as its sole recourse pursuant to this Contract the Buyer shall be entitled to cancel this Contract and to receive the immediate return of the deposit referred to in this Contract. Notice of such default shall be given, in writing, by the injured party within thirty (30) days after the default has occurred. If the party defaulting on this contract fails or refuses to release monies, the holder of the deposit may deliver the deposit by way of interpleader to the appropriate Court to determine ownership thereof and have all costs and expenses in connection therewith deducted from said deposit.

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

11. MISCELLANEOUS:

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

B. The following exhibits are incorporated as a part of this contract, except as set forth herein:

1. Exhibit A: Development Proposal submitted by Davis Simpson Holdings, dated July 6,

2017.

2. Exhibit B: Request for Proposal #15-17 "Disposition and Development of Parking Lot 16 and Salisbury Green."

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

12. USE OF THE PROPERTY:

A. Completion. Buyer hereby covenants that it will complete the construction of improvements as set forth in the Development Proposal (Exhibit A) and as set forth in the Request for Proposal 15-17 (Exhibit B). Buyer's Contract to complete the Development Proposal shall survive Settlement. There shall, however, be no additional restrictions on the use of the Property other than those required by Federal, State or local law, or contained herein.

B. Deed Covenant. The deed from the Seller to Buyer for the property described in this contract will contain a covenant that the property will be developed as set forth in Exhibit A.

C. Preliminary Site Plan Approval. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns shall deliver to the City a preliminary site plan approval on or before September 1, 2018, pursuant to the terms of Exhibits A and B. If the Buyer has not delivered a preliminary site plan approval within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

D. Final Site Plan Approval/Stormwater Approval. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns shall deliver to the City a final site plan approval and stormwater approval on or before March 1, 2019, pursuant to the terms of Exhibits A and B. If the Buyer has not delivered a final site plan approval and stormwater approval within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

E. Building Permit. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall secure a Building Permit for the construction of a mixed-use development pursuant to the terms of Exhibits A and B (as approved by the City of Salisbury Department of Infrastructure and Development) on or before September 1, 2019. If the Buyer has not secured a Building Permit within this time frame, the City shall have the right to: i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

F. Construction Commence. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall commence construction for the building referenced in Exhibits A and B (as approved by the City of

Salisbury Department of Infrastructure and Development) on or before October 1, 2019. If the Buyer has not started construction within this time frame, the City shall have the right to i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

G. Certificate of Occupancy Completion. Buyer hereby agrees, for itself, its successors and assigns and every successor in interest to the Property, or any part thereof, that Buyer or its successors and assigns, shall secure a Certificate of Occupancy for the building referenced in Exhibits A and B (as approved by the City of Salisbury Department of Infrastructure and Development) on or before October 1, 2020. If the Buyer has not secured a Certificate of Occupancy from the City of Salisbury Department of Infrastructure and Development within this time frame, the City shall have the right to i) seek reversion of the property and take back ownership or ii) negotiate an extension for the requirement, so long as the Buyer has shown good faith efforts in fulfilling the requirements associated with the project. Real estate market forces such as but not limited to supply and demand shall be considered, but such a negotiation is at the sole discretion of the City of Salisbury.

H. Covenants. The deed conveying the property shall expressly provide in an abbreviated format acceptable to the attorney for the Seller that the agreements and covenants provided for in the Development Proposal and Request for Proposal 15-17 for the Property and this Disposition Contract shall be included therein as covenants running with the land and shall be binding upon the land for the benefit and in favor of the Seller. Failure to construct the mixed-use development within the time for performance set forth herein shall result in a reversion of title to the Property back to Seller and Seller shall be entitled to both equitable enforcement of its reversion and damages, including attorney's fees for the enforcement of this Disposition Contract.

I. Speculation Forbidden. Buyer hereby represents and agrees that its purchase of the property and other agreements pursuant to the Development Proposal and Request for Proposal 15-17 for the Property and this Disposition Contract are for the purpose of development of the property in accordance with the Development Proposal for the Property and not for speculation in landholding. Buyer covenants that the purpose of this purchase is not for speculation.

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

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

L. Transfer. Buyer shall retain the interest acquired in the Property until the construction requirements as defined in Sections 12. A., C., D., E., F. and G. are satisfactorily completed. Any assignment of the Buyer's interest is subject to approval by the City Council. Such approval may not, however, be unreasonably withheld.

M. Completion. The term "Certificate of Occupancy Completion" shall be defined for the purposes of this contract to mean when the building is finished, occupancy permit(s) issued and the premises is open for business to the public.

N. Default. Buyer agrees that if, subsequent to the conveyance of the property to Buyer, Buyer shall default in or violate the Disposition Contract, prior to completed construction as certified by the City, including, but not limited to, failure to construct the improvements, abandonment or substantial suspension of construction work, failure to complete the project in the period specified in this Disposition Contract, failure to pay real estate taxes, if any, or suffer any levy or attachment, or any unauthorized change in ownership, and such violation is not cured within sixty (60) days after written demand by the Seller, Seller shall have the right but not the obligation, to enforce the terms of this Disposition Contract by seeking damages and, in addition, injunctive relief, including reversion of the Property from the Buyer to the Seller. Buyer shall not be in default for failure to complete the project if such failure is caused by delay due to unforeseen causes beyond his control and without his fault or negligence provided Buyer, within ten (10) days of the start of any such delay, has notified the Seller in writing and requested an extension for the period of the delay.

O. Fees. All fees for construction, permits, connections, EDUs, licenses and other fees related to the construction, development and operation of the Property shall be the responsibility of the Buyer. The Buyer may apply for any incentive or other waivers.

P. Parking. The Buyer shall provide parking on the Property for the proposed residential units and retail spaces in accordance with the City Code. Public parking may be developed on the property, the Buyer and Seller may negotiate a future agreement for such public parking, but nothing contained herein or in the attached exhibits obligates the City to provide such an agreement.

Q. Maintain Environmental Quality. The Property shall be developed in a way to reduce the amount of runoff pollution, include green space, plant trees, utilize sustainable materials and incorporate water and energy efficient design/construction.

13. **NOTICE**. Any notice to be given to a party under this Contract shall be deemed to be given on the date hand-delivered to the party, or on the second business day following the date when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the Seller at:

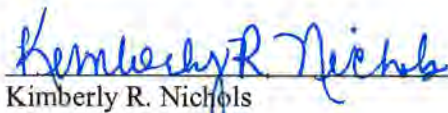
S. Mark Tilghman
City Solicitor
110 N. Division Street
Salisbury, MD 21801

addressed to the Buyer at:

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

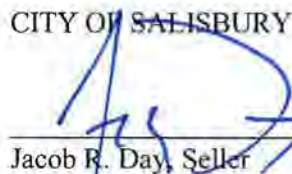
AS WITNESS the hands and seals of the parties hereto, the day and year first above written.

ATTEST:



Kimberly R. Nichols
City Clerk

CITY OF SALISBURY



Jacob R. Day, Seller
Mayor

BUYER

WITNESS

BY: Bret Davis
Davis Simpson Holdings, LLC