

Council Agenda Report

Date: August 10, 2020
Prepared by: Herve Hamon, Assistant Planner

SUBJECT: Pine Street Neighborhood Revitalization – Acquisition of properties.

Recommendation: That Council approve the purchase of 4 lots along Douglas Street offered for \$32,000 by Ms. Akisha Reed.

Discussion:

During the Spring of 2020, Ms. Akisha Reed contacted the city and expressed her desire to sell 4 contiguous lots located at the Northwest corner of Douglas Street and Wells / Phillips, one block North of Washington Street. The properties are: 632 Douglas Street, then the next 2 un-numbered lots to the West of 632, and 647 Washington Street, immediately South.

Staff conducted a search of the Tax Assessment values of the lots and provided a test fit for new construction (as of right per the Cambridge Unified Development Code) to the Maryland Department of Housing and Community Development (DHCD). Please see documents attached.

Both Mr. Kevin Baynes, Director of State Revitalization Programs and Mr. Garland Thomas, Project Manager, reviewed the documents and the potential for development of the sites as they would impact positively the neighborhood revitalization, and they both recommended the purchase of the lots with the Strategic Demolition Fund (originally amounting \$380,000, now amounting 380,000-117,000 [507 Race Street] = \$263,000).

The funds corresponding to this program were also called at one point “Rent-to-Buy Program SRP-SDF-2020-Cambridge-00662” and relate to Secretary Holt’s vision of encouraging further and faster development of new affordable housing in the Pine Street Historic District Neighborhood.

The location of the 4 sites across the South corner of Cornish Park, and at the entrance / gateway from Washington street into the heart of the block gives these sites the potential for a high impact on the revitalization of the neighborhood.

Ms. Reed has signed a preliminary contract agreement (attached). Staff recommends entering into a purchase agreement with Ms. Akisha Reed.

Fiscal Impact: The city will be reimbursed for costs of acquisition from the Strategic Demolition Fund.

Approved by: *Patrick C. Comiskey, City Manager*

CONTRACT OF SALE AND PURCHASE OF REAL PROPERTY

THIS CONTRACT FOR SALE AND PURCHASE OF REAL PROPERTY ("Contract") is made this 10th day of August, 2020, by and between **AKISHA REED** ("Seller") and **THE COMMISSIONERS OF CAMBRIDGE**, a Maryland municipal corporation, and/or its assigns ("Buyer"). Seller and Buyer (collectively the "Parties") hereby covenant and agree as follows:

1. **The Property.** Seller does hereby bargain and agree to sell to Buyer and Buyer does hereby agree to purchase from Seller all that real property located: 1) at 632 Douglas Street, Cambridge, Maryland 21613, Tax Map 302, Grid 16, Parcel 2622, Tax Identification No. 07-168365; 2) on the corner of Phillips Street, Cambridge, Maryland 21613, Tax Map 302, Grid 16, Parcel 2621, Tax Identification No. 07-168373; 3) 647 Washington Street and Phillips Street, Cambridge, Maryland 21613, Tax Map 302, Grid 16, Parcel 2699, Tax Identification No. 07-168381; and 4) on the corner of Phillips and Douglas Street, Cambridge, Maryland 21613, Tax Map 302, Grid 16, Parcel 2620, Tax Identification No. 07-168403; being all of the real property described in a deed from Andre Adgerson to Akisha Reed, dated January 27, 2020 and recorded among the Land Records of Dorchester County, Maryland in Liber A.J.C. No. 1560, folio 160, together with the improvements thereon and all the rights, ways, roads, privileges, appurtenances, and advantages thereto belonging or in any way appertaining (hereinafter collectively referred to as the "Property").

2. **Purchase Price.** The purchase price ("Purchase Price") for the above-stated Property shall be Thirty-Two Thousand and 00/100 Hundred Dollars (\$32,000.00) of which Buyer has paid Zero Dollars (\$0) at the signing hereof. Buyer shall pay the entirety of the Purchase Price in cash or wired funds at the time of Closing (as hereinafter defined).

3. **Fee Simple.** The Property is being conveyed in fee simple.

4. **Possession.** Full possession of the Property will be granted to Buyer upon Closing.

5. **Buyer's Right of Inspection.** Buyer shall have the right to inspect the Property at reasonable times prior to Closing to conduct normal and customary due diligence.

6. **Closing Adjustments.** All taxes, general or special, and all other public or governmental charges or assessments against the Property which are or may be payable on an annual basis are to be adjusted and apportioned as of the date of Closing and are to be assumed and paid thereafter by Buyer, whether assessments have been levied or not as of the date of Closing except as otherwise required by law.

7. **Deed and Title.**

(a) At Closing, upon payment as above provided of the Purchase Price, a deed for the Property containing covenants of special warranty and further assurances shall be executed by Seller, which shall convey the Property to Buyer. The title conveyed to Buyer shall be good and merchantable, free of liens and encumbrances except use, occupancy, and similar restrictions of

public record which are generally applicable to properties in the immediate neighborhood or subdivision in which the Property is located, easements which may be observed by an inspection of the Property, and such utility and other easements as do not materially adversely affect the fair market value of the Property.

(b) Buyer shall promptly order an examination of title and, should it desire, a survey of the Property and advise Seller by written notice within thirty (30) days of the acceptance of this Contract if, in its sole discretion, there exists any exceptions to title or survey that it finds objectionable. If Buyer fails to give such notice, Buyer agrees to accept title subject to any such matters other than those which arise subsequent to the end of such thirty (30) days. If Buyer gives notice of objectionable matters, Seller shall notify Buyer within seven (7) days after receipt of Buyer's notice, of her election either (a) to cure or remove the same, which Seller will do at its expense within a reasonable time, or (b) to not remove the same. If Seller elects not to remove the same, Buyer shall have the right within five (5) days thereafter either to terminate this Contract or waive the title defect or survey matter and accept title and survey notwithstanding such objections.

8. **Closing.** Unless the Parties agree otherwise, closing of title pursuant to this Agreement ("Closing") shall take place on or before September 21, 2020 at the City of Cambridge City Hall, 410 Academy Street, Cambridge, Maryland 21613, and shall be conducted by MacLeod Law Group, LLC ("Closing/Escrow Agent"). The Closing/Escrow Agent is authorized to receive, deposit, and distribute funds for the Parties; prepare and obtain execution of escrow instructions, closing documents, and instruments evidencing the terms and conditions of this transaction as are required for the Closing; and conduct the Closing and provide for recording of the documents.

9. **Risk of Loss and Insurance.** The Property is to be held at Seller's risk until legal title has passed or possession has been given to Buyer, whichever first occurs. Seller shall maintain in full force and effect until the Closing insurance policies for general liability, property, casualty, hazard, and business insurance in the same manner as on the date of this Contract.

10. **Recordation and Transfer Taxes, Closing Costs.**

(a) Section 14-101 of the Real Property Article of the Maryland Annotated Code provides that, unless otherwise negotiated in the Contract or provided by State or local law, the cost of any recordation tax or any State or local transfer tax shall be shared equally between the Parties. The Parties agree that the costs of State and local transfer taxes and recordation taxes related to the conveyance of the Property to Buyer shall be Buyer's responsibility.

(b) Except as otherwise set forth herein, all Closing costs, which may include an examination of title, judgment and lien search, document preparation (including the deed), the conducting of the Closing, and any premium for title insurance shall be Buyer's responsibility.

11. **No Brokers or Agents.** Each party represents and warrants to the other party that no agent, broker or finder has acted for it in connection with this real estate purchase and sale. The provisions of this section shall survive Closing and the delivery of the deed to the Property or the termination of this Contract.

12. **Maryland Disclosure Statement.** Buyer hereby agrees that it is buying the Property in its current "as is" condition and that Seller shall not be responsible for any repairs or maintenance to the same. Upon Buyer's request, Seller agrees to provide information about the Property, if available, at or before Closing including, but not limited to, any new or updated plans, drawings, surveys, permits, agreements, reports for any environmental assessments, all reports pertaining to soil compaction, content, or assessments, or any other documents that either contain information about the Property or may impose requirements on Seller and/or Buyer related to any proposed development or construction on the Property.

13. **Default.** The Parties are required and agree to make full Closing in accordance with the terms of this Contract and acknowledge that failure to do so constitutes a breach hereof. If either party fails to make full Closing or is in default due to its failure to comply with the terms, covenants, and conditions of this Contract, the non-breaching party is entitled to pursue such rights and remedies as may be available at law or in equity, including without limitation, an action for specific performance of this Contract and/or monetary damages. If either party defaults, the party committing the default, whether Buyer or Seller, shall reimburse the non-defaulting party for costs, including reasonable attorney's fees, incurred as a result of the default.

14. **Notices.** All notices, requests, demands, consents, and other communications which are required or may be given under this Contract shall be in writing and shall be given either by personal delivery against a receipted copy or by certified or registered U.S. Mail, return receipt requested, postage prepaid or hand delivery, to the following addresses:

If to Seller:

Akisha Reed
1319 N. Swards Court
Aberdeen, Maryland 21001

If to Buyer:

The Commissioners of Cambridge
c/o Patrick C. Comiskey, City Manager
410 Academy Street
Cambridge, Maryland 21613

15. **Notice to Buyer concerning the Chesapeake and Atlantic Coastal Bays Critical Area.** Buyer is advised that all or a portion of the Property may be located in the "Critical Area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The "Critical Area" generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of State or

private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all of their designated tidal tributaries. The "Critical Area" also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries to the head of tide. For information as to whether the Property is located within the Critical Area, Buyer may contact the local (Dorchester County) department of planning and zoning.

16. **Title Insurance.** Buyer has the right to select its title insurance, closing/settlement, and escrow company, or employ its own title attorney.

17. **Independent Legal Advice.** The Parties acknowledge that this is a legally binding and fully enforceable agreement. The Parties have read the document carefully and, to the extent they so required, sought the advice of legal counsel or other appropriate advice.

18. **Miscellaneous.**

(a) Time is of the essence of this Contract.

(b) The liability of any party to this Contract shall be both joint and several.

(c) Any notices and statutory clauses attached hereto shall be deemed a part of this Contract.

(d) This Contract is legally binding on the Parties and their personal representatives, successors, and assigns.

(e) This Contract contains the final and entire agreement between the Parties, and neither they nor their agents shall be bound by any terms, conditions, or representations not herein written.

(f) No change or modification of this Contract shall be valid unless the same is in writing and signed by the Parties. No waiver of any of the provisions of this Contract shall be valid unless in writing and signed by the party against whom it is sought to be enforced.

(g) This Contract may be executed in counterparts.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract of Sale and Purchase of Real Property as of the day and year first above written.

BUYER:

THE COMMISSIONERS OF CAMBRIDGE

WITNESS:

Patrick C. Comiskey, City Manager

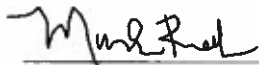
Victoria Jackson-Stanley, Mayor [SEAL]


APPROVED AS TO FORM:

Patrick W. Thomas, Esq., Assistant City Attorney

SELLER:

WITNESS:




_____ [SEAL]
Akisha Reed

1 inch = 60 feet

CORNISH PARK

LINCOLN TER

DOUGLAS STREET

FUTURE
COMMUNITY
CENTRE

WELLS ST / PHILIPS

WASHINGTON ST

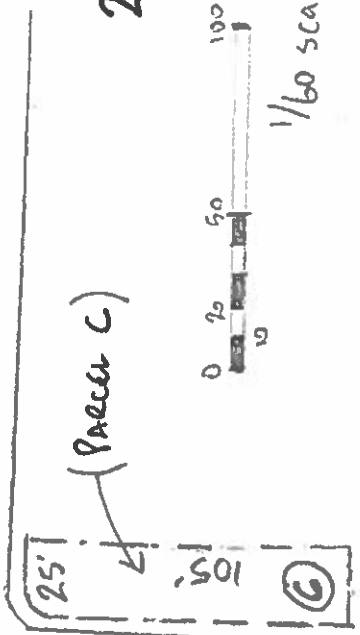
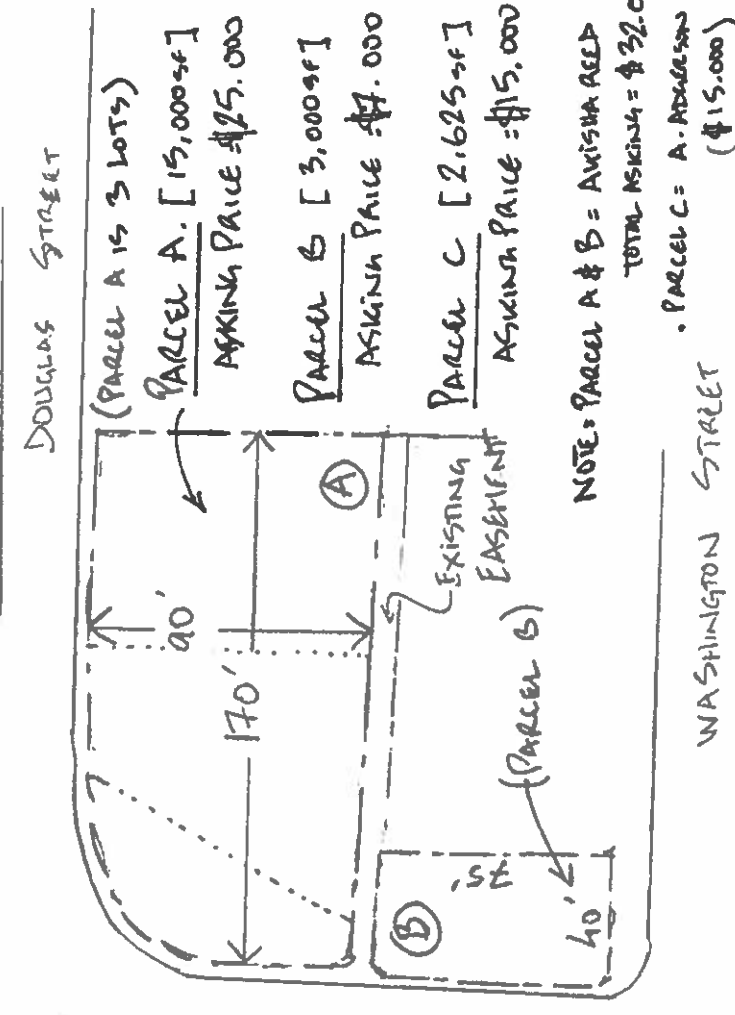
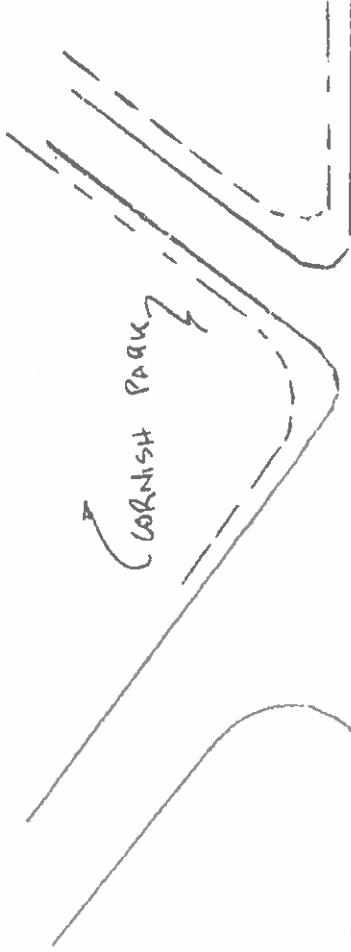


SCALE
1/60

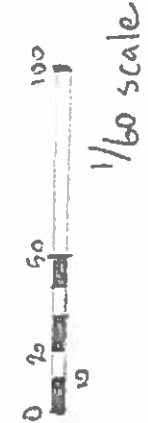
1 - ASSESSMENTS

06-26-2014

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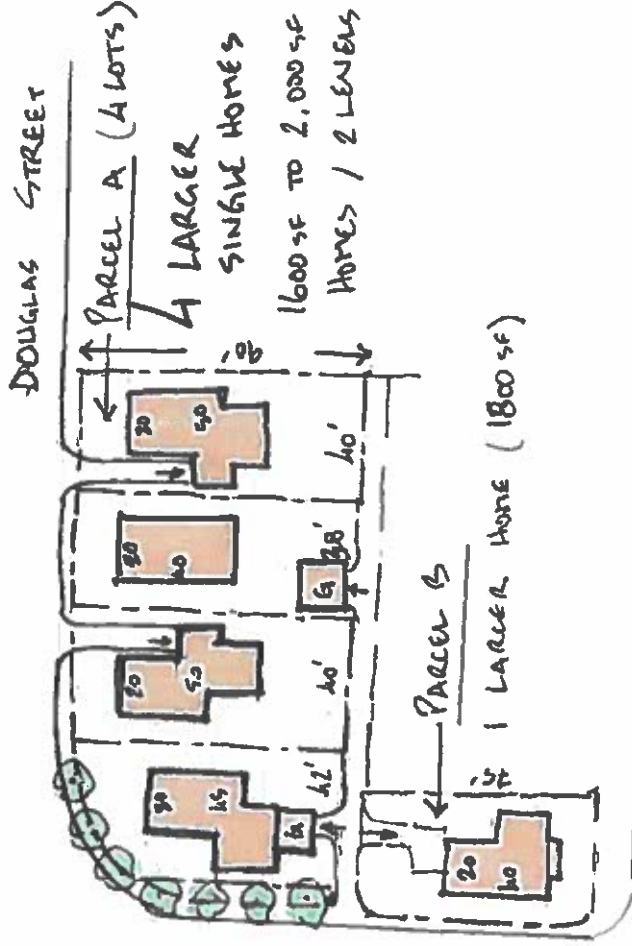


2. DATA





LINCOLN TERR.



DOUGLAS STREET

PARCEL A (4 LOTS)
 4 LARGER SINGLE HOMES
 1600 SF TO 2,000 SF HOMES / 2 LEVELS

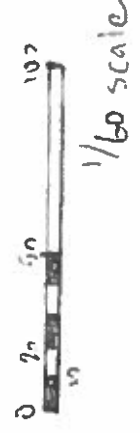
PARCEL B
 1 LARGER HOME (1800 SF)

WASHINGTON STREET



PARCEL C

1 SMALLER HOME (1400 SF)



3. OPTION A
 - SINGLE FAMILY LARGER LOTS

