

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2021, Legislative Day No. 17

Resolution No. 41-21

Introduced by Ms. Lacey, Chair
(by request of the County Executive)

By the County Council, September 7, 2021

1 RESOLUTION approving the terms and conditions of the acquisition of real property
2 consisting of between approximately 0.62 +/- acres and 0.765 +/- acres, known as 443
3 Crain Highway, Glen Burnie, Maryland 21061, from HB, Incorporated, utilizing funds
4 from the Advance Land Acquisition Capital Project
5

6 WHEREAS, § 8-3-101 of the County Code empowers the County Executive to
7 accept a dedication of real property on behalf of and in the name of Anne Arundel
8 County, Maryland (the “County”) for the purposes set forth in Articles 16 and 17
9 of the County Code or to purchase real property by agreement or eminent domain
10 if an adequate appropriation has been made by the County Council; and
11

12 WHEREAS, § 8-3-101(d)(2) requires that each agreement for the purchase of real
13 property utilizing funds from the Advance Land Acquisition Capital Project,
14 Project No. C106700 (“Advance Land Acquisition Capital Project”), shall be
15 contingent upon approval of the purchase by resolution of the County Council; and
16

17 WHEREAS, § 8-3-101(d)(2) further provides that, prior to approval of the purchase
18 by resolution, the County Council shall require an independent appraisal, an
19 environmental study, and a feasibility study for the property being purchased; and
20

21 WHEREAS, the County Executive is utilizing funds from the Advance Land
22 Acquisition Capital Project to purchase real property consisting of between
23 approximately 0.62 +/- acres and 0.765 +/- acres, known as 443 Crain Highway,
24 Glen Burnie, Maryland 21061, and more particularly described as County Tax Map
25 9F, Parcel 6 (the “Property”) from HB, Incorporated (the “Seller”); and
26

27 WHEREAS, the County’s independent real estate appraisal prepared by Treffer
28 Appraisal Group, based on 0.62 +/- acres identified as the lot size by the State
29 Department of Assessments and Taxation, estimates the fair market value of the
30 leased fee interest of the Property to be One Million Five Hundred Twenty
31 Thousand Dollars (\$1,520,000.00); and
32

33 WHEREAS, the County’s independent real estate appraisal prepared by the
34 Winholt Group, Inc., based on 0.762 +/- acres, which is the square footage shown
35 on a plat of the property, estimates the fair market value of the leased fee interest
36 of the Property to be One Million Eight Hundred Twenty Five Thousand Dollars
37 (\$1,825,000) and the market value of the fee simple estate of the Property to be One
38 Million Nine Hundred Fifty Thousand Dollars (\$1,950,000); and

1 WHEREAS, in accordance with § 8-3-101(d)(2), the Department of Public Works
2 conducted an environmental assessment (which references 0.63 acres as the size of
3 the Property), a feasibility study (which references 0.762 acres as the size of the
4 Property), and a survey (which estimates the size of the Property as 0.765 acres) for
5 the Property; and

6
7 WHEREAS, the County and the seller, HB, Incorporated, are in agreement as to
8 the location and identification of the Property, despite the differing estimates of the
9 exact size of the Property; and

10
11 WHEREAS, the County Executive has determined that the Property is needed for
12 public use in that it shall be used by the County Department of Aging and
13 Disabilities and the County Office of Information Technology, as well as other
14 possible government uses, and that acquisition of the Property for the sum of Two
15 Million Dollars (\$2,000,000) to be paid from the Advance Land Acquisition Capital
16 Project pursuant to the terms and conditions of the Agreement of Sale (“Agreement
17 of Sale”), which is attached to this Resolution as Exhibit A, would be in the best
18 interests of the County; now, therefore, be it

19
20 *Resolved by the County Council of Anne Arundel County, Maryland, That, in*
21 *accordance with § 8-3-101(d)(2), it approves the acquisition of the Property pursuant to the*
22 *terms and conditions as set forth in Exhibit A; and be it further*

23
24 *Resolved, That a copy of this Resolution be sent to County Executive Steuart Pittman.*

READ AND PASSED this 4th day of October, 2021.

By Order:



Laura Corby
Administrative Officer

I HEREBY CERTIFY THAT RESOLUTION NO. 41-21 IS TRUE AND CORRECT AND DULY
ADOPTED BY THE COUNTY COUNCIL OF ANNE ARUNDEL COUNTY.



Sarah F. Lacey
Chair

Office of Central Services
Real Estate Division
2660 Riva Road
Annapolis, MD 21401

AGREEMENT OF SALE

THIS AGREEMENT OF SALE (“Agreement”), made this ____ day of _____, 2021, by and between **HB, INCORPORATED**, formerly Hein Brothers, Incorporated, (hereinafter collectively called "Seller") and **ANNE ARUNDEL COUNTY, MARYLAND**, a body corporate and politic of the State of Maryland (hereinafter called "Purchaser").

WHEREAS, the Seller is the owner of all that property identified under Anne Arundel County Tax Account No. 05-326-06960100, on Tax Map 009F, Parcel 0006, known as 443 Crain Highway, Glen Burnie, Maryland, 21061, located in the Second Assessment District of Anne Arundel County, and part of the property described in a Deed recorded in the Land Records of Anne Arundel County in Liber 3578, folio 00500, containing 0.622 acres, more and less, (“Property”), which Property is also described in attached as Exhibit “A”, attached hereto; and

WHEREAS, the Purchaser intends to purchase the said property as part of terminating a current lease agreement and purchasing the property for County inventory; and

WHEREAS, the funds for this project will come from the Advanced Land Acquisition Capital Project No. C106700.

NOW THEREFORE WITNESSETH: That for and in consideration of mutual covenants and promises herein made by the parties, the above recitals which are incorporated herein by reference and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Purchaser hereby agree as follows:

1. Seller agrees to sell and convey to Purchaser and Purchaser agrees to buy and accept from Seller the Property under the terms and conditions set forth in this Agreement of Sale.

2. The total purchase price for the Property shall be \$2,000,000.00 (Two Million Dollars and Zero Cents) with settlement on or before July 31, 2021, contingent on the following occurring no later than one hundred twenty (120) days from the date hereof:

(a) Completion of tests and studies as provided under ¶9 of this Agreement; and

(b) Sufficient appropriation and authorization by Anne Arundel County, Maryland for the purchase price of the Property, including approval of the County Council (for funds from the Advanced Land Capital Acquisition Project) as may be required.

3. Seller shall execute this Agreement of Sale on or before March 15, 2021; after which time execution does not occur, this offer to purchase made by Purchaser to Seller shall be null, void, and of no effect; however, this Agreement of Sale may be extended by mutual agreement of both parties.

(a) Settlement shall be held at a location in Maryland designated by Purchaser. Purchaser shall give Seller at least fourteen (14) days written notice of the date and location of the settlement.

(b) Real estate taxes, general special taxes and rents, annual front foot benefit charges, special assessment tax or other annualized charges of a like nature are to be adjusted to the date of settlement and thereafter assumed by Purchaser.

(c) Settlement costs including any title examination, title insurance, tax certificates, recordation and transfer taxes, if any, are to be paid by Purchaser.

(d) The Purchaser's financial obligations under this Agreement are contingent upon sufficient appropriations and authorization being made by the Anne Arundel County Council for the performance of this Agreement.

4. At the time of settlement, the Seller shall convey a 100% interest in the Property to Purchaser by a fee simple deed with a special warranty. Title of the Property shall be good and merchantable, insurable at regular market rates with only such exceptions as expressly agreed to by Purchaser, and free and clear of all liens and encumbrances, except for recorded easements, including, publicly recorded easements for public utilities and any other easements which may be observed by an inspection of the property.

In the event that Seller is unable to convey such title to Purchaser at settlement as required herein (hereinafter, called a "Title Defect"), Seller, at Seller's sole expense, shall forthwith, but in no longer than 180-days with extension of the settlement deadline, and

provided Purchaser agrees to a like extension of the settlement date, (the "Title Extension Period"), take such action as is required in order to cure Title Defect. In the event Seller is unable to do so within the 180-day period, Purchaser at Purchaser's sole option may purchase the Property at the consideration stated in ¶2 with the title defect, may extend for a reasonable period the necessary time to complete the action undertaken to clear the title as required by this paragraph, or may declare this contract null, void, and of no effect.

5. Time is of the essence as to this Agreement of Sale.

6. (a) Seller and Purchaser represent and warrant to each other that the person or persons executing this Agreement on behalf of each of them possess full legal power to do so and to carry out each and every obligation of this Agreement of Sale, and that Seller is capable of transferring good, merchantable, and insurable title.

(b) Seller further represents that there are no leases, licenses, agreements, tenants or occupants that may or will impair or affect Seller's title to this Property or in any way affect or impair Seller's ability to convey this Property as set forth herein or that will affect any right by Purchaser to use and possess the Property after settlement.

7. Until execution and delivery of the deed by Seller to Purchaser, the risk of loss or damage to the Property or any portion thereof shall be assumed by Seller.

8. The Seller makes no representations or warranties as to the condition of the real property or any improvements thereon, and the Purchaser will be receiving the real

property "as-is," with all defects which may exist, except as otherwise may be provided in this Agreement of Sale.

9. During the term of the Agreement, Purchaser, at its own expense, shall have the right to cause surveys, boring tests, environmental, and use feasibility studies to be made with respect to the Property. In connection with the performance of its surveys, tests and studies, if the surveys, tests, and studies conducted by Purchaser do not permit or warrant in the sole discretion of the Purchaser, or its engineers, architects or consultants, the acquisition and development of the Property, the Purchaser shall have the right, exercisable by written notice given to Seller within Ninety (90) days from the date of this Agreement ("Study Termination Date"), to terminate this Agreement. In that event, Purchaser shall be relieved from further liability hereunder for remainder of Property, at law or in equity, except that Purchaser's indemnification and restoration obligations set forth in this paragraph shall survive the termination. To the extent permitted by law and subject to appropriation and availability of funds, the Purchaser shall indemnify and hold Seller harmless against any damages, liabilities, and claims incurred by Seller as a result of Purchaser's activities upon or with respect to the Property. If the Purchaser terminates this Agreement pursuant to the provisions of this paragraph or any other provision of this Agreement, Purchaser, at its own expense, shall restore any damage to the Property caused by Purchaser making boring tests and other tests and studies, and immediately thereafter vacate. Nevertheless and notwithstanding the foregoing, Seller represents that it has no actual knowledge of any environmental physical

condition or dumping on or in the Property rendering the Property un-useable or materially lowering its market value. If dumping or environmental conditions are found by the tests and studies, Seller may, in its sole discretion, mitigate and perform the clean up at their sole cost and expense, the Purchaser and Seller may amend the purchase price to reflect this diminution of value based on the cost to cure or clean up costs, or the Purchaser may determine in its sole discretion that the site does not warrant use for its facility and this contract is null and void and of no effect.

10. It is understood and agreed that the Purchaser shall not have any obligation or liability for the payment of any real estate brokerage commission or the Sellers legal expenses. Should any claim for a commission be established by any broker, agent, consultant or attorney of the Seller, Seller expressly agrees to hold Purchaser harmless with respect thereto. Seller recognizes Hyatt Commercial as the sellers agent and MacKenzie Commercial Real Estate Services as the buyers agent, in this transaction, and has agreed to pay a brokers fee at closing according to separate agreement.

11. All notices under this Agreement shall be in writing and shall be deemed to be duly given if hand delivered or mailed by registered or certified mail, return receipt requested, as follows:

IF TO SELLER:

HB, Incorporated
223 Ambleside Drive
Severna Park, Maryland 21146

IF TO PURCHASER: Anne Arundel County
Real Estate Division
2660 Riva Road, 3rd Floor
Annapolis, Maryland 21401

WITH COPIES TO: Anne Arundel County
Office of Law
2660 Riva Road, 4th Floor
Annapolis, Maryland 21401

The parties shall be responsible for notifying each other of any change of address.

12. This Agreement contains the complete and entire agreement between the parties relating to the Property and no agreement or understanding whether written or oral, not herein contained shall be considered part of this Agreement of Sale unless set forth in writing between the parties.

13. The terms and provisions of this Agreement of Sale shall survive settlement and the execution and delivery of a deed from Seller to Purchaser and shall not merge therein.

15. If any term, condition or covenant of this Agreement shall be declared invalid or unenforceable the remainder of the Agreement shall not be affected.

16. This Agreement shall be governed by Maryland law, and any action arising out of or related thereto shall be brought exclusively in a court of competent jurisdiction located in Anne Arundel County, Maryland.

17. This Agreement shall inure to the benefit of the parties hereto, their heirs, personal representatives, legal representatives, successors and assigns as appropriate.

18. This Agreement may be executed in counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument. Electronic signatures hereon shall be deemed valid to the same extent as originals.

[Signature Page to Follow]

Witness:

Seller:
HB, Incorporated

By: Frank A. Hein
Frank A. Hein, Sr., Secretary

Date: 03/05/2021

By: Cynthia Hein Homoky
Cynthia Hein Homoky, Treasurer

Date: 03/04/2021

Attest:

Purchaser:
Anne Arundel County, Maryland

By: _____
Matthew J. Power,
Chief Administrative Officer for
Steuart Pittman, County Executive

REVIEWED AND APPROVED:

Christine A. Romans
Central Services Officer

Date

APPROVED AS TO SUFFICIENCY AND AVAILABILITY OF FUNDS:

Karin McQuade, Controller
Anne Arundel County

Date

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:
Gregory J. Swain, County Attorney:

By: _____
Christine B. Neiderer, Assistant County Attorney

Date

EXHIBIT A

BEGINNING FOR THE FIRST THEREOF at a cross cut in the concrete sidewalk on the southeast side of Light Street Road, as laid out 45 feet wide, the said cross cut being directly over a stone heretofore set at the northwestmost corner of Lot No. 5109, as shown on Plat No. 50 of the property of the Curtis Creek Mining, Furnace and Manufacturing Company prepared by S.J. Martenet and Company, December 12, 1922; thence running with the southeast side of Light Street Road South $31^{\circ} 16'$ West 50 feet to a cross cut in the concrete sidewalk; thence leaving the said Light Street Road and running with the division line between Lot 5018 and Lot 5019, South $59^{\circ} 37'$ East 214.5 feet to the northwest side of Drum Point Avenue as laid out 30 feet wide; thence running with the northwest side of the said Drum Point Avenue North $30^{\circ} 55'$ East 50 feet to an iron pipe heretofore set at the southeast corner of Lot No. 5020; thence leaving the said Drum Point Avenue and running with the division line between Lot 5019 and Lot 5020 North $59^{\circ} 37'$ West 214.25 feet to the point of beginning.

BEING the same lot of ground which by Deed dated July 8, 1943, and recorded among the Land Records of Anne Arundel County, Maryland, in Liber 289, Folio 71, was conveyed by The Realty Investment Company, a body corporate, unto Charles L. Hein and the within Grantor.

BEGINNING FOR THE SECOND THEREOF, being Lot No. 5020 at a stone planted on the southeast side of Light Street Road at the end of the first line of the parcel of land secondly described in a deed from Curtis Creek Mining, Furnace & Manufacturing Company to Annie C. Schohl, dated the 17th day of August 1920, and recorded among the Land Records of Anne Arundel County in Liber W.N.W. No. 22, folio 293 etc; and running thence along the southeast side of Light Street Road north 31 degrees 16 minutes east 50 feet to the beginning point of the land conveyed by the Curtis Creek Mining, Furnace & Manufacturing Company to Annie C. Schohl and Mollie A. Schohl, by deed dated the 24th day of September, 1923, and recorded among the Land Records aforesaid in Liber W.N.W. No. 68, folio 383 etc; thence with the fourth line of said land reversely south 59 degrees 37 minutes east 214 feet to the northwest side of Drum Point Avenue, as laid out on said plat 30 feet wide; thence along the northwest side of Drum Point Avenue south 30 degrees 55 minutes west 50 feet to the end of the second line of the land conveyed as aforesaid to Annie C. Schohl; and thence with said second line reversely north 59 degrees 37 minutes west 214 feet 3 inches to the place of beginning. Containing twenty-four one-hundredths of an acre of land, more or less.

BEGINNING FOR THE THIRD THEREOF, on the southeast side of Light Street Road at the distance of 200 feet northwesterly measured along the southeast side of said Road from a stone planted at the end of the second line of the land conveyed by the Curtis Creek Mining, Furnace & Manufacturing Company to William C.H. Ungerer, by deed dated the 15th day of December, 1921, and recorded among the Land Records of Anne Arundel County in Liber W.N.W. No. 54, folio 95 etc., which point of beginning is also north 31 degrees 16 minutes east 50 feet from the end of the first line of the parcel of land secondly described in a deed from the Curtis Creek Mining, Furnace & Manufacturing Company to Annie C. Schohl dated the 17th day of August, 1920, and recorded among the Land Records aforesaid in Liber W.N.W. No. 22, folio 293 etc.; and running thence along the southeast side of Light Street Road North 31 degrees 16 minutes east 55 feet; thence south 59 degrees 37 minutes east 213 feet 9 inches to the northwest side of Drum Point Avenue; thence along the northwest side of Drum Point Avenue south 30

degrees 55 minutes west 55 feet to a point north 30 degrees 55 minutes east 50 feet from the end of the second line of the parcel of land secondly described in the deed to Annie C. Schohl, hereinbefore referred to; and thence parallel with said second line north 59 degrees, 37 minutes west 214 feet to the place of beginning.

The last two lots being those lots which by Deed dated January 13, 1937, and recorded among the Land Records of Anne Arundel County, Maryland, in Liber 163, folio 166, were conveyed by Hein Brothers, Incorporated unto Charles L. Hein and the within Grantor.

TOGETHER with the buildings and improvements thereupon erected, made or being and all and every the rights, alleys, ways, waters, privileges, appurtenances and advantages, to the same belonging, or anywise appertaining.