

COUNCIL OF THE TOWN OF INDIAN HEAD

Ordinance No. 09-01-22

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| Introduced By: | Mayor and Council |
| Date Introduced: | September 6, 2022 |
| Town Council Hearing: | None |
| Amendments Adopted: | None |
| Date Adopted: | November 7, 2022 |
| Date Effective: | November 27, 2022 |

AN ORDINANCE concerning

Authorizing the Lease of Real Property to the Town for Public Purposes

FOR the purpose of authorizing the Town of Indian Head to enter into a certain Ground Lease, with the Town as Lessee, for two parcels of land in the Town of Indian Head, for certain public purposes.

* * * * *

EXPLANATORY STATEMENT: RXBSA Properties, LLC, ("RXBSA") is the owner of two parcels of land located at 4109 and 4155 Indian Head Highway, more particularly described in a Deed dated March 30, 2022, and recorded among the Land Records of Charles County, Maryland, in Book 12532, Page 123, bearing Tax Account Nos. 07-005083 and 07-005695, respectively ("the Properties"). RXBSA intends to develop a grocery store on land adjacent to the Properties and desires to lease the Properties to the Town, and the Town desires to lease the Properties from RXBSA, for the Town to develop a municipal parking lot and community garden as complementary uses to the grocery store. The terms of the lease are set forth in the Ground Lease attached to this Ordinance as Exhibit A and incorporated by reference ("Lease"). The Town Council believes that the Lease is in the public interest and for public purposes. Now, therefore,

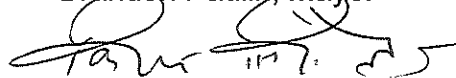
SECTION 1. BE IT ENACTED BY THE COUNCIL OF THE TOWN OF INDIAN HEAD, That the Council hereby authorizes the Town of Indian Head to enter into the Lease substantially in the form attached to this Ordinance as Exhibit A, and further authorizes the Mayor to execute and deliver the Lease and any related documents on behalf of the Town.

SECTION 2. AND BE IT FURTHER ENACTED, that this Ordinance shall become effective at the expiration of twenty (20) calendar days after its approval by the Council.

INDIAN HEAD TOWN COUNCIL




Brandon Paulin, Mayor



Ron Sitoula, Vice Mayor


Cassandra Grumbine, Councilwoman

ATTEST:


Andrea Brady, Town Clerk

11/7/22
Date

NO TITLE EXAMINATION MADE OR REQUESTED

GROUND LEASE

THIS GROUND LEASE is made as of the 9 day of ~~Dec.~~, 2022, by and between RXBSA Properties, LLC, a limited liability company under the laws of Maryland, whose address is 4338 Indian Head Highway, Indian Head, Maryland 20640 (hereafter referred to as "Lessor") and the Town of Indian Head, a municipality within Charles County, Maryland with mailing address of 4195 Indian Head Highway, Indian Head, Maryland 20640 (hereinafter referred to as "Lessee").

WITNESSETH, that in consideration of the rent hereafter expressed to be paid, Lessor does hereby lease unto Lessee, all that parcel of ground situated in Charles County, Maryland (hereafter referred to as the "Premises"), and more particularly described in Exhibit 1 attached hereto and made a part hereof.

TOGETHER with all the lanes, alleys, ways, waters, easements, emoluments, and advantages hereto belonging, or in anywise appurtenances.

TO BE HELD by Lessee for the term of ninety-nine (99) years, to begin on the date of this Lease. Lessee to pay unto Lessor the annual rent of One Dollar, USD (\$1.00) in yearly installments, accounting from the date of this Lease, with the right expressly reserved to the Lessee to prepay the rent for the Premises, in whole or in part, for the term of this Lease or any part thereof.

AND THE LESSOR represents and warrants to the Lessee that it owns the Premises in fee simple and that it has the right to make this Lease and covenants that it will execute or procure any further necessary assurances of title that may be reasonably required for protection of the Lessee.

AND UPON PAYMENT by the Lessee of the rent herein reserved and upon the performance of all the terms of this Lease, the Lessee shall, at all times during the leased term and during any extension or renewal term, peaceably and quietly enjoy the Premises without any disturbances from the Lessor or from any other person claiming through the Lessor. Lessee may prepare plans and specifications for the construction of improvements to the Premises, which are in accordance with its revitalization and community development efforts. Lessor and Lessee may enter into such additional agreements as necessary from time to time relating to maintenance and care of the premises.

AND IT BEING FURTHER EXPRESSLY AGREED, that the right is reserved to the Lessee to extend the term of this Lease for successive terms of ninety-nine (99) years each, perpetually renewable forever, upon payment by the Lessee to the Lessor of the sum of Five (\$5.00) for each such ninety-nine (99) year term, each renewal term to be on the same terms and conditions herein set forth.

AND IT BEING FURTHER EXPRESSLY AGREED, that in the event the Premises may be lawfully subdivided from the remainder of the Lessor's property ("the Adjoining Property") (without resulting in the Adjoining Property being in violation of any subdivision laws or requirements), that the Lessee shall have the right, upon payment of the sum of One

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GROUND LEASE

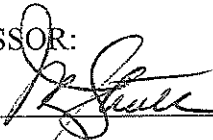
Hundred Dollars (\$100.00), to the Lessor, to subdivide the Property from Lessor's Adjoining Property and to obtain a fee simple conveyance of good and marketable title to the Property, free and clear of the Lessor's liens and encumbrances. In such event, Lessor covenants to cooperate with Lessee's efforts to subdivide the Property from Lessor's Adjoining Property and to sign (and cause other parties having an interest in the Adjoining Property to sign) all required plats and applications. All costs incurred for the engineering and permitting in connection with such subdivision shall be paid by Lessee.

LESSOR AND LESSEE EXPRESSLY AGREE that this Lease is entered into solely and for the furtherance and support of the Town of Indian Head's revitalization efforts under its master plan for the Town to benefit its residents and to drive further economic development and enhance its main corridor. Lessor and Lessee agree the Lease's full execution of the terms provided thereunder is predicated on Lessee's ability to secure sources of funds for development of the Premises in accordance with its revitalization and community development efforts. Lessee must secure such sources of funds within 18 months of the date of the initial lease term to continue the Lease or terminate the Lease with written notice to Lessor no less than 30 days.

THIS LEASE and all terms, covenants, and conditions herein shall run with the land herein described and shall be binding upon and shall inure to the benefit of the personal representatives, successors, and assigns of Lessor and the representatives, successors and assigns of Lessee.

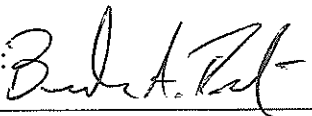
WITNESS the hands and seals of the parties hereto as of the day and year first above written

LESSOR:



Marilyn Steele, Secretary-Treasurer, for
RXBSA Properties, LLC

LESSEE:



Brandon Paulin, Mayor, for
Town of Indian Head, Maryland

NO TITLE EXAMINATION MADE OR REQUESTED

GROUND LEASE

STATE OF MARYLAND
COUNTY OF Charles

December

I HEREBY CERTIFY that on this 9 day of ~~April~~, 2022, before me, the subscriber, a Notary Public for the State and County aforesaid, personally appeared Marilyn Steele who acknowledged that they executed the foregoing Ground Lease for the purposes therein contained.

AS WITNESS, my hand and notarial seal



(SEAL)

My Commission Expires: 7/13/2024

Lisa D. Willett
NOTARY PUBLIC
Charles County, Maryland
My Commission Expires 7/13/2024

STATE OF MARYLAND
COUNTY OF Charles

December

I HEREBY CERTIFY that on this 9 day of ~~April~~, 2022, before me, the subscriber, a Notary Public for the State and County aforesaid, personally appeared Brandon Paulin who acknowledged that they executed the foregoing Ground Lease for the purposes therein contained.

AS WITNESS, my hand and notarial seal.



(SEAL)

My Commission Expires: 1/7/2023

NIMAN SITOULA
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires January 7, 2023