



Mayor & Council of Berlin

10 William Street, Berlin, Maryland 21811

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www.berlinmd.gov

Town of Berlin

Planning Commission

July 12th, 2023– 5:30 PM

Berlin Town Hall – Council Chambers

- 1. Call to Order**
- 2. Agenda Adoption**
- 3. Approval of Minutes: June 14, 2023**
- 4. The Berlin Commons – Concept Plan Review**
- 5. Discussion Item: Heron Park**
- 6. Comments from the Public**
- 7. Comments from Staff**
- 8. Comments from the Chairman**
- 9. Comments from the Commissioners**
- 10. Adjournment**

Any persons having questions about the above-referenced meeting or any persons needing special accommodations should contact Dave Engelhart at 410-641-4143. Written materials in alternate formats for persons with disabilities are made available upon request. TTY users dial 7-1-1 in the State of Maryland

Town of Berlin
Planning Commission
June 14, 2023

Chairman Chris Denny called the June 14, 2023, meeting to order at 5:30PM. Members present were Chris Denny, Ron Cascio, Newt Chandler, Pete Cosby, Austin Purnell, Matt Stoehr, and Phyllis Purnell. Staff present were Planning Director Dave Engelhart and Permit Coordinator Carolyn Duffy.

Chairman Chris Denny called for a motion to adopt the June 14th, 2023, agenda. Mr. Ron Cascio made the motion to adopt the agenda. Mrs. Phyllis Purnell seconded the motion, and it was unanimously accepted by the commission. Chairman Chris Denny called for a motion to approve the minutes from the May 10th, 2023, meeting. Mr. Austin Purnell made the motion to approve the minutes from the May 10th, 2023, meeting. Mr. Ron Cascio seconded the motion, and it was unanimously accepted by the commission.

Chairman Chris Denny called #4 on the agenda Mr. Chris Carbaugh for Concept Plan Review for Bay Street. Planning Director Dave Engelhart asked each person to introduce themselves to the commission. Mr. Chris Carbaugh of the Atlantic Group and Mr. Eric Davis introduced themselves. Mr. Chris Carbaugh gave an overview of the project. He stated the property's tax map was 0301 and parcel 0861 and was approximately 2.85 acres of land. He stated it was zoned R-3 in the apartment district. On the property he stated are several single-family homes that utilize the property. What they are proposing to do is put 20 apartments on the property. He supplied a layout of what they would look like two bedrooms, living room, kitchen, and bath. They handed out pictures of the elevations. Mr. Carbaugh explained they were one story structures of about 780 square feet. He stated the plan complies with the zoning and density therefore they can get 20 units on the property. The setbacks are front yard 25 ft and rear yard 35 feet side yard 6 on the side with total of 15ft. He stated all units would be provided with two parking spaces. They do provide 36% open space and will have a 40 ft access road and have sidewalks on both sides of the street. Mr. Carbaugh said they wanted to assist the town with the apartment shortage and the county. He asked the commission for whatever questions they might have.

Chairman Chris Denny asked would they be for sale or would they be rentals. Mr. Carbaugh replied they would be for rent. Mr. Austin Purnell asked how much the rent would be for the two bedrooms. Mr. Carbaugh replied anywhere between \$1400 and \$1500 hundred dollars would be the range. He stated that there are five complexes that surround this property, and these are occupied and not taking application at present time. Mrs. Phyllis Purnell asked if they had come before the commission before for this. Mr. Eric Davis replied no they had not. Chairman Chris Denny asked if there were plans for this property years ago. Mr. Dave Engelhart replied no, and that the property is in the R-3 zoning. He also stated the three buildings on the property are rented and he would call them substandard. They have not been maintained. The property has been on the market for a while going back years. Mr. Engelhart stated he has gotten called about the property and that Mr. Davis is looking for the go ahead so he can move forward. Mr. Carbaugh stated this would be new construction much needed rental apartments. Mr. Ron Cascio stated the elevations were not acceptable. He stated they need major renovations with the

elevations. Mr. Davis stated if they did two story units, they would go for \$2200 to 2300 hundred dollars. He stated he had built this before and he could make the elevations better. Mr. Cascio didn't think the one story belonged. Mr. Matt Stoehr asked could they park on the street. Mr. Carbaugh stated there is no room to park on the street. Mr. Stoehr stated they need extra parking spaces. What if people were to come over where would they park. Mr. Austin Purnell asked Mr. Stoehr about how many parking spaces did he think they needed. He replied about 6 or 8 spaces. Mr. Engelhart stated the comments we dropped off yesterday were from the Berlin Fire Company. They knew it was a concept plan, they thought the street should be posted with no parking. Mr. Engelhart stated the turnaround is not a problem, but the parking could be. Mr. Carbaugh said they could look at maybe three spaces over by the stormwater area. He stated if you go any further it drops off.

Mr. Purnell stated the single story didn't bother him because they needed housing. Mr. Newt Chandler told Mr. Cascio to tell them what he wanted to see. Mr. Cascio stated he wanted to see something that looks like Berlin and has character. Mr. Purnell asked if they could put porches on the front. Mr. Davis said they were already at the setback lines, but they could work on it. He said it would be an encroachment. Mr. Chandler said he agreed with Mr. Cascio they could use something. Mr. Davis said he didn't mind making the front more of a coastal style for elevations. Mr. Pete Cosby gave comments on the look of the building and would like to see big trees. Mrs. Phyllis Purnell asked if they were subsidized. Mr. Eric Davis said he works with section 8 vouchers and the VA and any housing programs they work with all of them. Planning Director Dave Engelhart said he thinks the town code allows for encroachment of about 4 feet, but he would have to check that. That would give at least a couple of chairs out front or planters to make it look better. Mr. Chris Carbaugh stated when they come back, they will have some improvements and the elevations and more options. Mr. Engelhart asked him about the access on Route 376 and if he had spoken to the state highway yet. Mr. Engelhart stated that area has a reduced speed limit already. The speed limit is down to 30mph on that section of road.

Chairman Chris Denny called the next item on the agenda Karbyte Enterprise for Concept Plan Review Germantown Road. Mr. Mark Cropper Attorney for Karbyte Enterprises LLC. Mr. Cropper had everyone introduce themselves to the commission. Mr. Salvatore Benvenga, CI Designs, Mr. Brock Parker, Parker Associates, Joseph, President Karbyte Enterprises, and Lauren Britt Hudson, Team Leader. Mr. Mark Cropper stated he had submitted three different concept plans to Mr. Engelhart for the development of the subject property. Mr. Cropper stated the location of the property was off Route 113 and Germantown Road. He stated it has existing zoning some B-1 and R-1. Some delineation for retention areas, wetlands and excess would be off Germantown Road.

Mr. Cropper stated the purpose for the three selections is that the preferred concept plan is shown on 2A. He stated 3A and 5A are there to show you that they considered other options for the development of the site. Mr. Cropper asked Mr. Benvenga to talk about 2A. Mr. Benvenga stated they have mixed uses also to include the architecture of Berlin, the county style, multifamily and the villas to present a nice welcome into Berlin like a gateway into town. Mr. Cropper stated because of the multi uses this would be a planned unit development. He stated it had a small retail component on the plan and all types of residential uses. Mr. Cropper stated Mr. Brock Parker would be involved in the engineering of the project and is familiar with the town of Berlin. Mr. Cropper told the commission they wanted to hear from them about the project so they

can take into consideration the commission's comments. Chairman Denny asked Planning Director about the zoning. Mr. Engelhart thought doing the PUD was best because the R-1 wouldn't allow it all and the B-1 allows for retail on the bottom and residential on top. So, the PUD would be the avenue to go. Mr. Cropper had a survey that showed the wetlands, and they have stayed out of that. Mr. Ron Cascio asked about the acres of land. Mr. Benvenga stated of its 12 acres only 7 are buildable.

Mr. Engelhart stated the fire company had comments about the three-story buildings and that their equipment may not reach if cars are parked in case of a fire. They appreciate the large turnaround. Mr. Engelhart said he would have to see the breakout for the density to see if these many units were appropriate for the plan unit development. Mr. Cropper stated they wanted the comments from the commission for the general layout of the project and then figure out what they need for approval to accomplish it. Mr. Cropper said the PUD is the most flexible in the Berlin Code and would have to have a rezoning of some sort they have not got into that yet until they have heard comments from the commission. There would be 45 townhouse units and 44 condo units approximately 900 sq ft. For 3A the totals are 61 total units and for 5A would be 48 units. He stated they are also considering affordable housing in phase two in the R-1. Ms. Lauren Hudson stated they had reached out to her for help she asked what does the town need. She stated what matters is affordable homes for Berlin and these people will be homeowners. They are reaching out to see what is needed for Berlin. Mr. Matt Stoehr asked if there would be elevators. Mr. Benvenga replied there could be. Mr. Pete Cosby stated without the elevations it's hard to talk about this. He asked what the architecture would be. Mr. Benvenga stated there are ways to bring that mass down. There are various ways to break down the mass, you can add balconies to the buildings. Mr. Cosby said make it interesting.

Mr. Ron Cascio liked the option of 5A small buildings like what is here. Ms. Lauren Hudson said they were looking for charm and the historical look of the town. Mr. Newt Chandler said he was looking at this being a lot of people with nothing for them to do. There need to be more recreational amenities. There needs to be a pool, something for the people to do or they will be all over the place. Mr. Benvenga said they could have basketball and tennis courts. Mrs. Cam Bunting stated that lot 2A is owned by Mr. Brian Hoyle stormwater must be on 2A and have an easement there. Mr. Austin Purnell asked if it would be a private road. Mr. Pete Cosby said they need a park area. Mr. Austin Purnell liked 5A option it would go more with the town instead of the condo. Mr. Chandler asked what the difference between a villa. The villa would be a little bigger in size. Mr. Chandler asked if the townhouses would be two stories. Mr. Benvenga replied two story with a loft. Mr. Chandler asked who would rent the retail. There is about 9000 sq. ft. of space, maybe a coffee shop or pizza shop they were thinking. Mr. Engelhart stated there could be several tenants in a 9000 sq. ft. building. They have a driveway all the way around. Mr. Chandler told them it could be a community center. Ms. Hudson asked if they could have retail on the bottom and a community center on top of it. Mr. Cascio replied sounds like you're headed in the right direction. Ms. Hudson said they are flexible. Mr. Cascio said a PUD is a great thing. Ms. Cindy Hoffman from the Bayside Gazette asked if they are rentals or home ownership. They are intended to be for sale.

The intent is to attract people that want to stay here longer. Mr. Cascio replied and to pay taxes. Mr. Cosby stated there are a lot of moving parts here because we need affordable housing. Ms.

Hudson told the commission when you start adding more to it like the amenities you get additional fees to be passed on to the homeowner. Mr. Chandler stated the amenities are needed to help sale your units and to control the people and kids on site. Mr. Cascio stated we don't want them crossing the highway. Mr. Matt Stoehr said he was not against it, and he understands the purpose of it but not everyone wants a 2100 sq. ft house. The price of a 2100 sq. ft townhouse would be double what the condo would be if we're trying to get affordable housing here. Mr. Chandler asked about 800sq. ft. units. Mr. Cascio replied that is more like it that would accommodate people. He said he knew it would be parking. There's a huge demographic that is not being addressed. Mrs. Phyllis Purnell asked about the pedestrians crossing the highway and their safety. Mr. Pete Cosby thought a gym space above the retail would be a real amenity. Mr. Mark Cropper told the commission they had a lot of good suggestions. He thanked the commission.

Planning Director Dave Engelhart stated that Adam Davis had brought drawings to the office the site plan for the items the commission had mentioned in the last meeting. Mr. Adam Davis stated the things you wanted to see were the signage, exterior lighting, landscaping, and the bike racks. He stated he would have goose neck lighting around the building. The bike racks would be located on the Southeast corner by the railroad tracks. He stated he wanted to make that cohesive with the Rail Trail it would have a parking pad there for the bike racks. They have planned for some raised planters on the front wall as you come in. Also, will be lining the beer garden and along the railroad. There will be signage on front of the building and signage on the brew house addition. Chairman Chris Denny asked about the parking spaces that back out along the road. Mr. Engelhart asked were these the spaces along the side of the dumpsters on Harrison Ave. Mr. Engelhart replied they would be allowed they are out of the right of way.

Mr. Austin Purnell asked if they could put different bollards there so people don't walk out in front of cars or the kids. Mr. Matt Stoehr asked could the spots be angled. Mr. Chandler asked if they would lose space if they angled the parking spaces. Mr. Engelhart stated you usually can get more spaces when they are angled. Chairman Denny asked about the lighting. Mr. Davis stated it would be gooseneck lighting around the building. The porch will be lit. Mr. Purnell asked about the signage. Mr. Davis said this wouldn't be the front that is shown. Mr. Engelhart asked about the signage on the brewhouse. Mr. Davis said the architect just put it on to show signage. Mr. Engelhart stated the channel letters back lit are less intrusive of the neighbors. Mr. Stoehr asked Mr. Engelhart if he had spoken to the Fire Marshal about the parking space. Mr. Engelhart replied he had not yet. Mr. Davis said he still had to meet with the Fire Marshal about the sprinklers system. Mr. Engelhart told the commission if Mr. Davis had satisfied them with the conditions from the last meeting, they would need a motion. Chairman Chris Denny called for a motion. Mr. Engelhart stated the Fire Marshal usually wouldn't comment unless there was no access or egress. Mr. Austin Purnell made the motion to approve. Mr. Ron Cascio seconded the motion, and it was unanimously accepted by the commission. With no other comments the meeting was adjourned. 6:57PM

Respectfully Submitted,


Carolyn Duffy

Jul 3, 2023

Dear Berlin Planning Commission:

We are presenting our building proposal for The Berlin Commons, located at 21 Jefferson St in Berlin. The space is currently an outdoor green space, with picnic tables to provide seating. We allow public access during the daytime for dining or meeting, and occasionally use the space for events for The Buzz Meadery on Friday evenings.

We would like to use this space to build a commercial building, and are approaching you with our ideas. In this packet, you will see the future design for the building, which includes a three-story, mixed use building. The top floor would be used for residential purposes, and the bottom two floors for commercial use.

However, it is not our intention to build this entire building in the near future. Instead, we would prefer to build it in stages, beginning with just the bottom floor. We would like to use this ground floor for commercial use, including as a food service establishment with a small amount of indoor seating. The site plan currently indicates the ground floor to be 1257 SF.

As the property is already an unusual shape and fairly small, we would like to maximize the amount of buildable area. We have already attempted to meet with the Board of Zoning and Appeals to request a variance for setbacks, but they asked us to meet with you first to see if the project is feasible. We would like to begin a conversation with you about the use of the building, as well as setbacks. Zoning requires a 10' setback to the curb, and we would like to ask for a 5' setback instead.

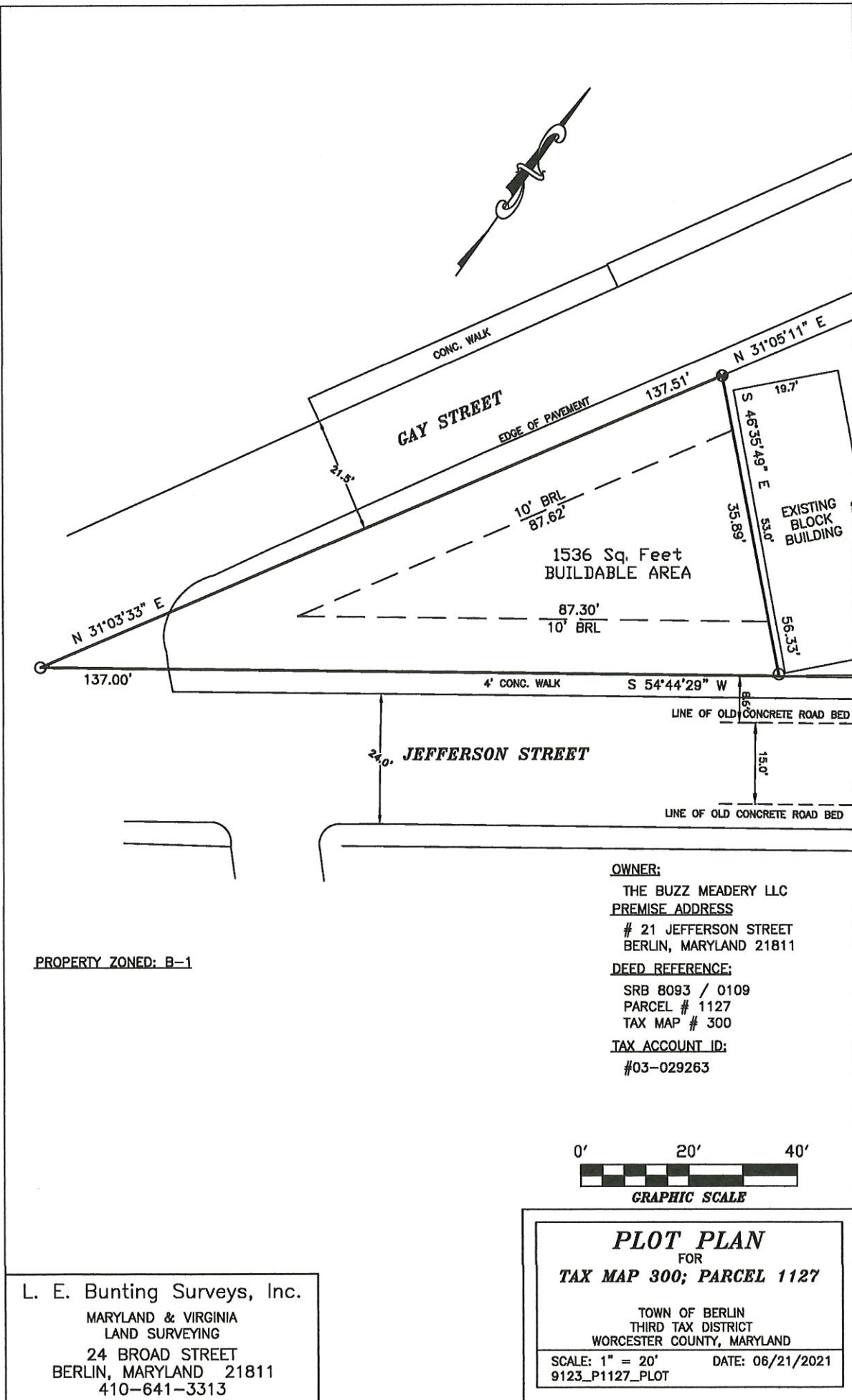
We also acknowledge that parking is limited, and for this reason, we intend on including four parking spaces to the rear of the building (adjacent to 19 Jefferson St), which is the maximum we can include while still building a viable commercial space. This provides a 15' setback to our neighbors, where a 0' setback is required. We will also install bike racks and encourage people to bike or walk to our establishment. When we host events at this space, this has become the norm anyway, as many of our customers live within the town.

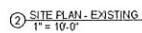
We are still working on the final interior drawings for the ground floor, but did not want to finalize anything until we began a conversation with the Planning Committee. We anticipate that this initial meeting will provide some structure and additional meetings may occur.

Thank you for your time in reviewing this, and we look forward to meeting with you.

Best,

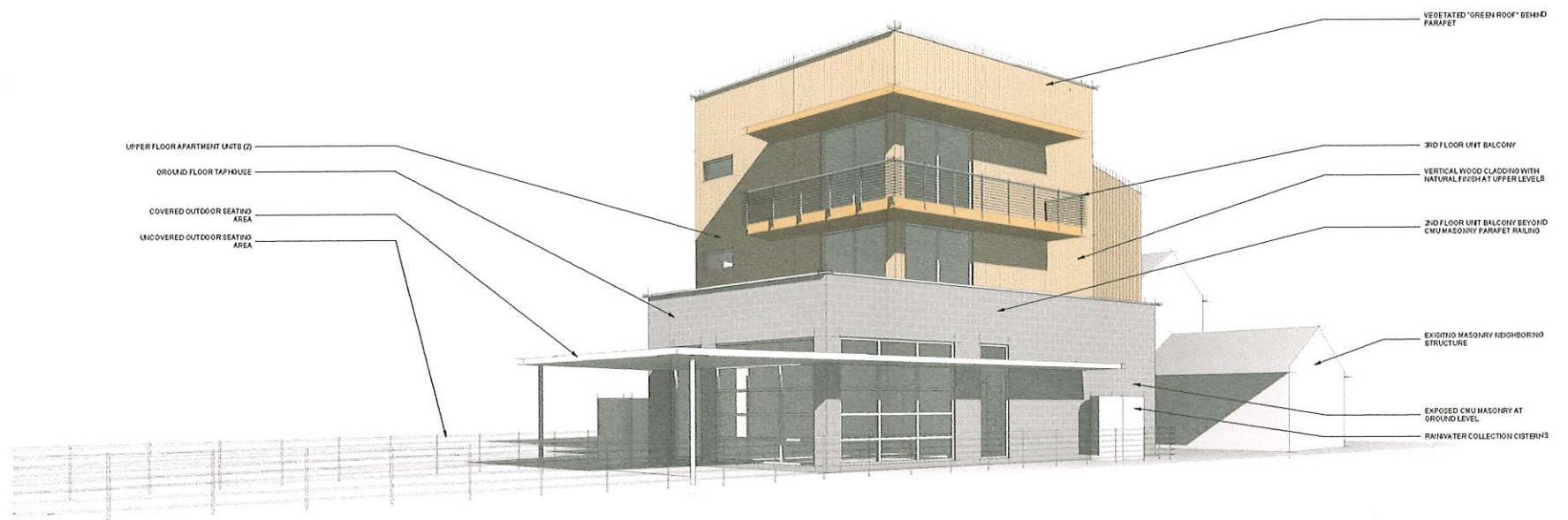
Megan and Brett Hines





THE BUZZ MEADERY
JEFFERSON STREET TAP HOUSE
AND APARTMENTS
21 JEFFERSON STREET
BERLIN, MD 21811
MIXED-USE
NEW CONSTRUCTION





① JEFFERSON STREET PERSPECTIVE

THE BUZZ MEADERY
JEFFERSON STREET TAP HOUSE
AND APARTMENTS
21 JEFFERSON STREET
BERLIN, MD 21811
MIXED USE
NEW CONSTRUCTION





**BERLIN MAYOR AND COUNCIL
Work Session
Meeting Agenda**

**Berlin Town Hall
10 William Street
Monday, July 10, 2023**

Please note that the times indicated below are approximate. Also, note additional timing protocols that may be indicated for specific agenda items.

6:00 PM Work Session – Council Chambers

1. **6:00 PM** Opening Statement – Mayor Zack Tyndall
2. **6:05 PM** Discussion re: Heron Park
3. **6:30 PM** Comments from the Public
Any person who may wish to speak on a matter at the Regular Session may be heard during COMMENTS FROM THE PUBLIC for a period of five (5) minutes or such time as may be deemed appropriate by the Mayor. Anyone wishing to be heard shall state their name, street name, and subject on which they wish to speak.
4. **6:55 PM** Adjournment

Additional Notes:

For more information regarding prior public discussions concerning Heron Park, please visit <https://berlinmd.gov/government/council-meetings/> and find the dates listed below or click on the links provided:

- March 15, 2021, 6:30 PM Public Listening Session:
Meeting agenda: [Click Here](#)
Video of Zoom meeting: [Click Here](#)
- February 28, 2022, 6:00 PM Presentation of Proposals:
Meeting packet: [Click Here](#)
Video of meeting: [Click Here](#)

To access the Meeting via Facebook, please click the blue Facebook icon at the top of any page on www.berlinmd.gov, or type @townofberlinmd in the Facebook search bar. QR code links to online packet.

Anyone having questions about the meetings mentioned above or needing special accommodations should contact Town Administrator Mary Bohlen at (410) 641-2770. Written materials in alternate formats for persons with disabilities are made available upon request. TTY users dial 7-1-1 in the State of Maryland/outside Maryland dial 1-800-735-2258.



CONTRACT OF SALE

THIS CONTRACT OF SALE, made this ____ day of _____, 2023, by and between the Mayor and Council for the Town of Berlin, Maryland, hereinafter the Seller and Coastal Ventures Properties, LLC, hereinafter the Buyer.

IN CONSIDERATION of the premises and the mutual covenants herein contained, the Seller does hereby bargain and sell unto Buyer, and the Buyer does hereby purchase from the Seller the following property:

Parcels 57, 410, and 191 currently known as a portion of Heron Park. The parties agree that they shall formulate a site plan for parcels 57, 410, and 191 which shall provide for a Seller owned 60 foot wide road bed from a designated entry point from Old Ocean City Boulevard, a Seller owned entertainment venue and a Seller owned parking area. This contract is contingent upon the parties agreeing to a site plan delineating the areas to be retained by Seller

1. Purchase Price.

The purchase price for the property shall be ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$1,700,000.00). Buyer shall, upon the execution of this Contract of Sale, deliver to Seller a good faith deposit of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00), which shall be held by Seller in a non-interest bearing account. Said deposit shall be applied to the purchase price.

2. Contingencies.

This Contract is expressly contingent upon the following:

- (a) The parties shall agree to a site plan delineating the real property that is to be retained by the Seller.
- (b) Seller shall utilize its DHCD Demolition Grant funds in the amount of \$500,000.00 to meet the scope of Buyer's proposed project within the scope of the grant for the benefit of Parcels 57, 410, and 191. Funds must be expended by May 31, 2024, to ensure compliance with the grant terms.
- (c) Seller shall effectively re-zone Parcel 57, 410, and 191 to either a B-1 or B-2 zoning designation as determined by Seller's Planning Department to comply with Buyer's intended use of the property.

- (d) Buyer agrees that Parcel 57 shall be limited to the following uses: restaurants, boutiques, gift shops, and retail for five (5) years following the receipt of a certificate of occupancy from Seller, and Buyer further agrees that this use limitation shall be restricted by the Deed it receives at settlement.
- (e) Buyer agrees that Parcels 57, 410, and 191 shall be precluded from residential use in perpetuity unless released by Seller following a properly advertised public hearing, and Buyer further agrees that this use limitation shall be restricted by the Deed it receives at settlement.
- (f) Buyer agrees that Parcels 410 and 191 shall be limited to the use of a commercial and retail garden center for ten (10) years following the receipt of a certificate of occupancy from Seller, and Buyer further agrees that this use limitation shall be restricted by the Deed it receives at settlement.
- (g) Seller shall retain the property to build and maintain a roadbed with a width of 60 feet from a designated entry point from Old Ocean City Boulevard, an entertainment venue and a parking area, all which shall be indicated on the site plan to be agreed upon by the parties in Paragraph 2.(a) above.
- (h) Buyer shall build and maintain sidewalks for parcels with road frontage on the north side of Old Ocean City Boulevard.
- (I) Buyer shall be responsible for all costs of development of Parcels 57, 410, and 191, including impact fees, connection fees, traffic study, proportionate costs associated with running water, sewer and electric lines needed to connect to buyers facilities, etc.
- (j) Buyer receiving necessary approvals for the development from the Maryland State Highway Administration.
- (k) Buyer obtaining satisfactory financing for the purchase of the property.
- (l) Buyer may obtain, at its expense, a Phase 1 Environmental Assessment of Parcels 57 and 410 demonstrating that the property is suitable for public purposes pursuant to Maryland Department of the Environment regulations and standards. The Phase 1 Environmental Assessment shall be conducted within ninety (90) days and shall be performed by a firm chosen by the Buyer.
- (m) Buyer obtaining approval of its development plan from the Town of Berlin Planning and Zoning Commission.

3. Title.

- (a) Upon payment as aforesaid, the Seller shall execute and deliver a Deed for the Property containing the covenants of special warranty and further assurance, which shall convey the Property to the Buyer. Title to the Property shall be good and merchantable and free of liens and encumbrances, except the following: Use 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 publicly recorded easements for public utilities and other easements that could be observed by an inspection of the Property.
- (b) Notwithstanding anything in this Contract to the contrary, in the event Seller is unable to give good and marketable title and such as will be insured by a title company as set forth above, Buyer shall have the option (I) of taking such title as Seller can convey with Seller being obligated to pay and satisfy all liquidated liens (as hereinafter defused) at settlement, or (ii) of being repaid the Deposit and in the latter event there shall be no further liability or obligation by either of the parties hereunder and this Contract shall become null and void. For purposes of this Contract, any matter(s) susceptible of satisfaction and removal at or prior to settlement by the payment of a sum of money which is explicitly set forth in said lien document, including, without limitation, unpaid mortgages, judgments, taxes, sewer and water charges, and assessments shall be considered a Liquidated Lien.

4. Apportionments.

Rent, ground rent, taxes, sanitary district assessments, homeowner association assessments, condominium assessments, and all other public charges and assessments payable on an annual basis imposed against the Property shall be apportioned as of the date of settlement and assumed thereafter by the Buyer.

5. Possession.

Possession shall be given by deed at the time of settlement, free of all leases and other occupancy. Buyer agrees that the construction/redevelopment of each parcel will be completed within 24 months of Buyer taking possession of the property.

6. Settlement.

Settlement shall be held _____, 2023, but in no event later than

7. Settlement costs.

Title examination charges, the costs of the preparation of all necessary documents, notary fees, points and other loan fees, and other customary settlement charges, including but not limited to, recordation tax, state or local transfer tax, agricultural transfer tax or roll back tax shall be paid by Buyer.

8. Default.

In the event that settlement is not held through no fault of the Seller, then the Seller may retain all sums deposited hereunder and/or specifically enforce this contract against Buyer. Should Seller violate or fail to fulfill and perform any of the terms or conditions of this Contract at or prior to settlement, and if as a result thereof settlement hereunder shall not occur, then Buyer shall be entitled: (1) to specifically enforce this Contract against Seller or, (2) to terminate this Contract in which case this Contract shall become null and void and the Deposit shall be returned to Buyer and neither the Buyer nor Seller shall be liable to one another for any reason, at law or at equity. Should either party retain the services of an attorney to enforce or interpret this Contract, the non-prevailing party shall reimburse the prevailing party with any and all court costs or other expenses incurred in such action, including but not limited to, reasonable attorney's fees.

9. Condemnation: Casualty

- (a) All risk of loss or damage to the Property by casualty of any nature prior to settlement shall be borne by Seller. If, prior to the time legal title has passed or possession has been given, the Property or a substantial part of it is destroyed or damaged without fault of the Buyer, then this Contract, at the option of the Buyer, may be rescinded and all monies paid hereunder refunded to Buyer.
- (b) If, prior to settlement, any portion of the Property is condemned, Buyer shall have the option of (I) terminating this Contract, in which event the Contract shall be null and void and Buyer shall be paid the Deposit, or (ii) proceeding with settlement, in

which even the entire condemnation or insurance proceeds shall be delivered to Buyer at settlement hereunder (and, in connection with the foregoing, Seller expressly acknowledges and agrees that the foregoing insurance or condemnation proceeds shall not be applied to restoration of the Property without Buyer's prior written consent, in Buyer's sole discretion), or, if they have not yet been paid, the right to receive such proceeds shall be assigned by Buyer at settlement hereunder by instrument acceptable to Buyer. Buyer shall exercise its option within fifteen (15) days after it receives notice from Seller of any such condemnation or casualty. This section shall not apply if Buyer is the condemning authority. Should Buyer initiate condemnation proceedings against Seller with regard to the Property, this contract shall immediately be deemed null and void.

10. Compliance with Notices, Ordinances.

Seller shall comply with any notices given or ordinances enacted by any governing authority prior to the date of settlement for which a lien could be filed against the Property.

11. Survival.

Any covenant, promise or obligation in this Contract which is not by expressed language intended to be fulfilled or performed at settlement shall not merge into the deed of conveyance but shall remain in full force and effect and be binding on the parties hereto until fully performed or fulfilled.

12. Notices.

Any notice required to be given hereunder shall be given in writing and either (I) sent by United States registered or certified mail, with postage prepaid, return receipt requested, (ii) sent by Federal Express or another nationally recognized overnight courier, (iii) hand delivered, or (iv) sent by facsimile transmission with a hard copy sent on the same day by a nationally recognized overnight courier. All notices shall be deemed to have been given 48 hours following deposit in the United States Postal Service, or upon delivery if sent by overnight courier service, facsimile, courier or hand delivery. All notices shall be addressed to the following address or at such other address as may hereafter be substituted by notice in writing thereof.

To Seller: Mayor and Council of Berlin
c/o Zackery Tyndall, Mayor
10 William Street
Berlin, MD 21811

With Copy to: David C. Gaskill, Esquire
5700 Coastal Highway
Suite 201
Ocean City, MD 21842

To Buyer: Palmer Gillis
150 W. Market Street
Suite 200
Salisbury, MD 21801

13. Entire Agreement.

This Contract contains the entire agreement between Seller and Buyer and there are no other terms, obligations, covenants, representations, statements, or conditions, oral or otherwise of any kind whatsoever. This Contract may be amended only by a writing signed by both parties.

14. Assignment.

This Contract may not be assigned or transferred by Buyer without the prior written consent of Seller. This Contract shall extend to and bind the heirs, personal representatives, executors, administrators, successors and assigns of the respective parties hereto.

15. Miscellaneous.

- (a) As used herein, the phrases "the date hereof" and "the date of this Contract" shall mean the date of execution (and delivery of the fully executed Contract to the first party to sign by the last party to sign this Contract.
- (b) This Contract may be signed in one or more counterparts (or with counterpart signature pages) which, taken together, shall constitute a fully executed Contract and shall be considered a signed document. Any signature delivered by a party by facsimile transmission shall be deemed to be an original signature to this Contract. In such event, the parties hereto shall promptly thereafter deliver to each other executed counterpart originals of this Contract.
- (c) Buyer and Seller agree to cooperate with each other and to take such further actions as may be requested by the other in order to facilitate the timely purchase and sale of the Property.

- (d) If any date on which a time period scheduled to expire herein is a Saturday, Sunday or holiday, the subject date shall be extended to the next business day.
- (e) This Contract has been drafted by counsel for both the Seller and the Buyer, and accordingly, any ambiguities contained herein shall not be interpreted in favor of or against either party.
- (f) If any term or provision of this Contract or application thereof shall to any extent be invalid or unenforceable, the remainder of this Contract shall not be affected thereby and each other term and provision of this Contract shall be valid and enforced to the fullest extent permitted by law.
- (g) This Contract shall be construed in accordance with the laws of Maryland.

16. Time is of the essence with this Contract.

NOTICE TO BUYER

SECTION 14-104 OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT, UNLESS OTHERWISE NEGOTIATED IN THE CONTRACT OR PROVIDED BY LOCAL LAW, THE COST OF ANY RECORDATION TAX OR ANY STATE OR LOCAL TRANSFER TAX SHALL BE SHARED EQUALLY BETWEEN THE BUYER AND SELLER.

This contract obligates Buyer to pay these taxes.

BUYER IS ENTITLED TO SELECT THEIR OWN TITLE ATTORNEY, SETTLEMENT ATTORNEY OR ESCROW COMPANY.

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

TEST/ATTEST

Seller: Mayor and Council of the Town of Berlin

As to Seller

_____(SEAL)
Zackery Tyndall, Mayor

Buyer: Coastal Ventures Properties, LLC

As to Buyer

_____(SEAL)
Palmer Gillis



Heron Park Purchase Summary

Prepared by Councilmember Jay Knerr jknerr@berlinmd.gov

Heron Park consists of 4 parcels totaling 63.67 acres. 25 acres of ponds, 38.67 acres of uplands

Lot 52 18.36 acres land area, 25 acres of ponds. Nature Trail. Not for sale

Lot 57 9.35 acres

Lot 191 1.58 acres

Lot 410 9.38 acres

Total acres available for sale – 20.31

Current Bond: Taxable Public Improvement Bond 2016 \$3,000,000 – start date is January 22, 2016. The retirement date is 12/01/2045. Principal \$100,000 payable annually and interest bi-annually each June and December.

FY 2023 = \$182,254.80 Principal \$100,000 + Interest \$82,254.80

FY 2024 = \$178,965.75 Principal \$100,000 + Interest \$78,965.75

FY 2025 = \$177,210.96 Principal \$100,000 + Interest \$77,210.96

The rate is fixed at 3.5% until 12/01/2030 and will be reset in 2030. The bond can be prepaid or paid in full at any time.

If the decision is made to make a partial payment – the amount will be applied to future payments of the year 2045 to save on the interest.

Chemical Spill: In 2019 that was a chemical spill on parcel 52. The town spent approximately \$300,000 on the clean-up effort.

Appraisal Price: As of 4/14/2022

#52 \$180,000 Not for sale

#57 \$800,000

#191 \$200,000

#410 \$700,000

Total \$1,700,000

Purchase Price: \$1,700,000 Coastal Ventures Properties, LLC

Cost per Acre: \$83,702.60

Current Offer: \$1,500,000 in cash

Lots 191 & 410 restricted to operate as a Garden Center for 10 years. No residential use
DHCD Demolition Grant of \$500,000 shall be used to meet the scope of the buyer's
project.

Town will rezone Parcels 57, 410 and 191 to either a B1 or B2 zoning Designation.

Town will build a 60' wide roadbed from Old Ocean City Blvd to the proposed
Entertainment Venue.

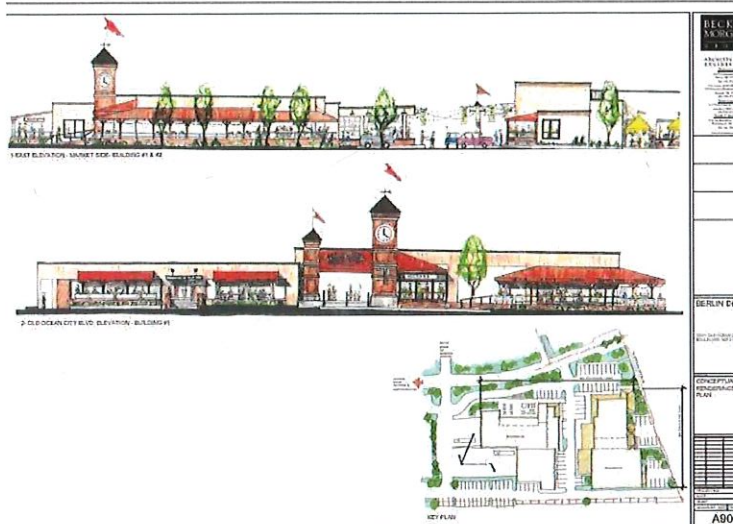
Buyer is responsible for all costs of development including impact fees, connection fees,
traffic study, costs associated with running water, sewer, and electric lines necessary.

Buyer is required to do a Phase 1 Environmental Assessment on lots 57, 410 & 191.

Buyer will obtain development plan approval from Planning & Zoning Commission.

Considerations:

- a. Current Debt Service \$2,300,000
- b. Cost of Roadbed \$500,000 to \$1,000,000. Town will own the road and will need to maintain.
- c. Entertainment Venue Cost unknown
- d. Potential Tax Revenue \$12,413 before improvements. This is an estimate based on a 1.5 M purchase price. Commercial property owners can apply for tax base reduction for the first 3 years, tax calculations done based on income generation bases and not on the value of real estate. Potential tax revenue will be not significant to support the operations and upkeep provided by public works, police, and economic development.
- e. Is there a better use for this property that will benefit the residents of Berlin?
- f. Consider today's value of real estate and land available for sale. This is the last available acreage for the Town of Berlin and potential to develop it. Sale price based on appraisal of \$1.5 or \$1.7 will not retire the debt outstanding and Town will need to assume additional responsibilities to service the development. Debt was structured as public commercial bond for the purposes of the ability to lease the land, develop it or utilize it for public. Long term leases or operational agreements can potentially generate more revenues than real estate taxes.





Update from the Mayor's Office Important Information about Heron Park

General Information	
How many acres is Heron Park?	Heron Park consists of four parcels totaling 63.67 acres (25 acres of ponds, 38.67 acres of land)
When was the property purchased?	Heron Park (formerly known as Berlin Falls Park) was purchased in 2016
Financial Information	
How much did the Town of Berlin pay for Heron Park?	In total, the Town of Berlin financed \$3.0 million for Heron Park and a parcel of property on Flower Street. The property was purchased for \$2.5 million and \$500,000 was added to the price intended to be used to convert the property into a park.
How much does the Town of Berlin still owe on the property?	The Town of Berlin still owes approximately \$2.3 million.
How much does the Town of Berlin pay in principal and interest payments each year?	<ul style="list-style-type: none"> • FY2023 = \$182,254.80 • FY2024 = \$178,965.75 • FY2025 = \$177,210.96
What additional costs has/does the Town of Berlin incur from Heron Park?	<ul style="list-style-type: none"> • In 2019, a chemical spill occurred on parcel 52. The chemical spill cost the town approximately \$300,000 to remediate. • Like all town properties, employees from the Town of Berlin maintain the property, which includes any maintenance of the buildings and bathrooms, trash collection, cutting the grass, and keeping the site clean.
Has the Town of Berlin obtained an appraisal for Heron Park so they know how much it is worth?	<p>Yes, in April 2022, the Town of Berlin obtained an appraisal of the entire site. The appraised value for the land included in the potential sale is \$1.7 million.</p> <ul style="list-style-type: none"> • Parcel 52 (<i>NOT FOR SALE</i>): Appraised at \$180,000 • Parcel 57: Appraised at \$800,000 • Parcel 191: Appraised at \$200,000 • Parcel 410: Appraised at \$700,000

Information Pertaining to the Potential Sale: General Questions	
What portion of Heron Park is included in the potential sale?	<ul style="list-style-type: none"> • Parcel 57 (9.35 acres): Includes a roughly 60,000-square-foot chicken processing building. • Parcel 191 (1.58 acres): Also known as the Old Rayne's Sand and Gravel Property: Includes buildings that are currently used to store town equipment and supplies • Parcel 410 (9.38 acres): Includes a cleared lot
Are there any restrictions on what types of businesses or residential use can occur on the property if sold to Coastal Ventures Properties LLC?	<ul style="list-style-type: none"> • Parcel 57: Restricted to operate as a restaurant and/or retail establishment(s) for five (5) years. • Parcels 191 and 410: Restricted to operate as a garden center for ten (10) years. • Based on public comments received in February 2022, no residential use can occur on any of the parcels unless approved by the Mayor and Council in an open session.
Is the Town of Berlin going to use the \$500,000 strategic demolition grant from the Maryland Department of Housing and Community Development?	<p>Yes. The strategic demolition funds need to be fully expended by June 2024. The Town of Berlin has already entered into an agreement with DBF to develop the scope of the request for proposals (RFP) so the Town can move forward with demolition. DBF is waiting to hear from the Town of Berlin about whether the RFP should be for the demolition of the entire building up to \$500,000 or if the building will be strategically demoed to meet the needs of Coastal Ventures Properties LLC.</p>
Are there any additional considerations the buyer has requested from the Town of Berlin?	<p>Yes, the Town of Berlin will need to rezone parcels 57, 191, and 410 to either B1 or B2 zoning. This would include a public hearing at the Planning Commission and Mayor and Council levels.</p>
What are the steps moving forward with any environmental studies?	<p>The buyer has requested to complete a Phase 1 Environmental Assessment on parcels 57, 191, and 410. The due diligence of the buyer is projected to take approximately four to six months to complete.</p>

Information Pertaining to the Potential Sale: Finances	
How much is Coastal Ventures Properties LLC willing to pay for parcels 57, 191, and 410?	Coastal Ventures Properties LLC (CVP) has offered the Town of Berlin \$1.7 million for parcels 57, 191, and 410.
Are there any restrictions included in the sale price from CVP?	<p>Yes, CVP has requested that \$200,000 of the sale price be restricted for up to 24 months to help accelerate two Town owned projects on the site as follows:</p> <ul style="list-style-type: none"> • The offer includes \$100,000 for a Rails and Trails bikeway that would extend from the north side of Old Ocean City Blvd. back to the proposed entertainment venue and passive use section of the park. If this project is unsuccessful within 24 months, the Town of Berlin may reallocate the full \$100,000 however the Mayor and Council deem appropriate. • The offer also includes an additional \$100,000 to spark the fundraising efforts of a town-owned entertainment venue. The subcommittee has approximated the cost of this project between \$400,000 and \$500,000. If this project is unsuccessful within 24 months, the Town of Berlin may reallocate the full \$100,000 however the Mayor and Council deem appropriate.
Are there additional costs or responsibilities to the Town of Berlin if Coastal Ventures Properties purchased parcels 57, 191, and 410?	The subcommittee has recommended that the Town of Berlin own, build, and maintain a 60' wide roadbed from Old Ocean City Blvd to the proposed Entertainment Venue. The roadway will include sidewalks to facilitate pedestrian access to the property.
What additional costs are paid by CVP?	CVP would be responsible for all costs of development, including impact fees, connection fees, traffic study, and costs associated with running water, sewer, and electric lines necessary to service their properties.

Timeline for the Potential Sale of Heron Park

- March 2021
 - The Mayor and Council held a listening session with the public “to gauge public interest in selling two parcels (p.57 and p.410) that are part of the heron park property.”
 - The Council decided to move forward with the request for proposals (RFP) process.
- October 2021
 - At a public meeting where comments from the public were accepted, the Council voted 4-0 to approve the request for proposals (RFP) for parcels 57 and 410.
- November 2021
 - The request for proposals (RFP) was published on the Town of Berlin’s website.
- February 2022
 - The bids that were received from the Town of Berlin’s request for proposals (RFP) were opened in public and streamed on Facebook.
 - The Mayor and Council also held a public meeting to discuss the two submissions (Coastal Ventures Properties LLC and Natelli Communities). Public comment was also accepted during this meeting.
- May 2022
 - The Council voted 4-0 to enter into an extended negotiation period (ENP) with Coastal Ventures Properties LLC during a public meeting where public comment was accepted.
- January 2023
 - The Council voted 3-1, with Vice-President Burrell opposed, to approve a 180-day extension of the ENP with Coastal Ventures Properties LLC during a public meeting where public comment was accepted.
- June 2023
 - The Council voted to extend the ENP until December 2023
 - The Mayor and Council will hold a public work session meeting with CVP on Monday, July 10th, at 6:00 PM. Public comment will be accepted at the end of the meeting.
 - The Mayor and Council have asked the Parks Commission to hold a public meeting with public comment regarding Heron Park on Tuesday, July 11th, at 5:30 PM.
 - The Mayor and Council have asked the Planning Commission to hold a public meeting with public comment regarding Heron Park on Wednesday, July 12th, at 5:30 PM.

**For questions, please reach out to the Mayor’s Office:
410-641-3858 or email MayorZack@berlinmd.gov**



9,175 # DECKS/PORCHES
 1800 # ARCADE
 2,000 # MARKET (INDOOR)
 51,775 # BUILDINGS
 64,750 # TOTAL
 PARKING 176

SITE PLAN

BERLIN DEPOT
 AT HERON PARK
 BERLIN, MARYLAND
 1"=30' 4/21/21 182 PARKING
 REV. 4/23/21
 5/2/21

GILLIS
 GILKERSON



BERLIN DEPOT

AT HERON PARK

BERLIN
1/8" = 1'-0"

MARYLAND

4/1/53
REV. 7/23/51

GILLIS
GILKESON



OLD OCEAN CITY BLVD. ELEVATION

BERLIN DEPOT

AT HERON PARK

BERLIN, MARYLAND

1/8" = 1'-0"

4/21/21

GILLIS
GILKERSON

