### O-20-25

Sale of City-Owned Property at 932 Spa Road and 935 Spa Road, Lot 1

#### AMENDMENT 1 – ALD. SAVIDGE

(on behalf of Environmental Matters Committee)

### **Amendment Summary:**

Amendment 1 is a replacement for O-20-25. It makes a number of changes recommended by the Resilience Authority and Committee members.

### **MOTION:**

On page 1, strike lines 24 through 38, and on page 2, strike lines 1 through 41, and on line 24 insert the following:

- WHEREAS, The City of Annapolis ("City") is the owner of certain real property located at 932 Spa Road, Annapolis, Maryland, also known as Tax Map 51F, Grid 1, Parcel 62; Spa Road (identified on Anne Arundel County Tax Map 51F, Grid 1, Parcel 358, Tax ID 06-000-01407408); and 935 Spa Road, Lot 1, Annapolis, Maryland, also known as Tax Map 51F, Grid 8, Parcel 859, Lot 1 (collectively, "Property"); and
- **WHEREAS,** Portions of the property were used historically for a landfill, incinerator and public works operations; and
- WHEREAS, In preparation for the future use and development of the property, the City sought to investigate the potential environmental impacts of these historical uses; and
- WHEREAS, As part of this investigation, the City commissioned a Phase II environmental site assessment of the property ("Phase II ESA"), which was completed in February 2025; and

**Explanation:** Strikethrough indicates matter stricken from existing law.

<u>Underlining</u> indicates a change to the City Code.

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<u>Underlining & red</u> - new matter added to the code.

Underlining & blue - amendment

- **WHEREAS,** The results of the Phase II ESA indicate environmental impacts related to the historical uses of the property that will require remedial action before the property can be redeveloped; and
- WHEREAS, The Resilience Authority has expressed interest in acquiring the property for purposes consistent with its mission to address environmental challenges, climate resilience, or infrastructure needs within the City; and
- **WHEREAS**, The City Council has determined that the property is no longer needed currently for public use; and
- WHEREAS, The City Council has determined that the sale of the property to the Resilience Authority will serve the public interest by advancing resilience infrastructure projects or environmental initiatives that benefit the residents of Annapolis; and
- **WHEREAS,** Pursuant to Article III, Section 7 of the City Charter, the City may dispose of real property by private sale by ordinance; and
- WHEREAS, The City Council has determined that it is in the best interest of the City to sell the Property to the Resilience Authority, for the sole purpose of obtaining grants and funds to remediate the contamination on the property and, to thereafter having obtained sufficient funds, conduct remediation of the property.

# NOW, THEREFORE, BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the Property located at 932 Spa Road and 935 Spa Road, Lot 1,

Annapolis, Maryland, shall be sold to the Resilience Authority of Annapolis and Anne Arundel County, Inc. subject to the following terms and conditions:

- 1. The approval of this sale is contingent upon the City's completion of the subdivision of the property at 935 Spa Road into Lot 1 and Lot 2, with only Lot 1 being the subject of this Ordinance;
- 2. The City shall be responsible for all costs associated with the subdivision process;
- **3.** The Resilience Authority shall use the Property for purposes consistent with its mission to address environmental challenges, climate resilience, or infrastructure needs;
- **4.** The City shall be responsible for all costs associated with the transfer of the Property;
- 5. The Resilience Authority shall accept the Property in "as is" condition;

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- 6. The Resilience Authority shall apply for a brownfield grant from the Environmental Protection Agency for the purpose of remediating contamination on the property pursuant to the conditions and terms of the grant;
- 7. If the Resilience Authority is successful in obtaining a brownfield grant from the Environmental Protection Agency, the Resilience Authority shall make best efforts to complete the remediation activities of the property to the satisfaction of the grantor pursuant to the terms and conditions of the grant agreement;
- 8. During remediation, the Resilience Authority shall coordinate with the Annapolis Heritage Commission and the City to secure any Council-required on-site archaeological consulting that is not covered by the grant; any cost and liability shall be covered by the City.
- 9. The deed transferring the property shall include a reverter clause providing that the property shall revert to the City of Annapolis upon acceptance by the Environmental Protection Agency that the remediation activities were completed pursuant to the terms and conditions of the grant.
- 10. If the resilience authority is unable to obtain funding for remediation pursuant to an Environmental Protection Agency brownfield grant, the property shall revert to the City of Annapolis upon EPA's denial of the Resilience Authority's grant application.
- 11. The City shall be responsible for all costs associated with the reversion of the property to the City of Annapolis.

### SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that:

- A. The Mayor is hereby authorized to execute all documents necessary to effectuate the sale of the Property to the Resilience Authority for a purchase price of \$1.00.
- B. The Office of Law is hereby authorized and directed to prepare all necessary documents to effectuate the sale and transfer of the Property consistent with this ordinance.
- C. Prior to any submission of development plans to the City's Department of Planning & Zoning, regarding development and/or remediation of these properties, a work session shall be held with the Council and concurrence with the development plan sought from the City Council via Resolution.

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# SECTION III: AND BE IT FINALLY ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that this ordinance shall take effect upon passage.

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### Changes to the Original Ordinance:

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- WHEREAS, The Resilience Authority of Annapolis and Anne Arundel County, Inc.

  ("Resilience Authority") was established pursuant to State and local law to
  undertake and support resilience infrastructure projects in the City of Annapolis
  and Anne Arundel County; and
- WHEREAS, Portions of the property were used historically for a landfill, incinerator and public works operations; and
- WHEREAS, In preparation for the future use and development of the property, the City sought to investigate the potential environmental impacts of these historical uses; and
- WHEREAS, As part of this investigation, the City commissioned a Phase II environmental site assessment of the property ("Phase II ESA"), which was completed in February 2025; and
- WHEREAS, The results of the Phase II ESA indicate environmental impacts related to the historical uses of the property that will require remedial action before the property can be redeveloped; and
- WHEREAS, The Resilience Authority has expressed interest in acquiring the Property for purposes consistent with its mission to address environmental challenges, climate resilience, or infrastructure needs within the City; and
- **WHEREAS,** The City Council has determined that the Property is no longer needed <u>currently</u> for public use; and
- WHEREAS, The City Council has determined that the sale of the Property to the Resilience Authority will serve the public interest by advancing resilience infrastructure projects or environmental initiatives that benefit the residents of Annapolis; and

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- WHEREAS, The City Council has determined that it is in the best interest of the City to sell the Property to the Resilience Authority, for the sole purpose of obtaining grants and funds to remediate the contamination on the property and, to thereafter having obtained sufficient funds, conduct remediation of the property.

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- 1. The approval of this sale is contingent upon the City's completion of the subdivision of the property at 935 Spa Road into Lot 1 and Lot 2, with only Lot 1 being the subject of this Ordinance;
- 2. The City shall be responsible for all costs associated with the subdivision process;
- 3. The Resilience Authority shall use the Property for purposes consistent with its mission to address environmental challenges, climate resilience, or infrastructure needs;
- 4. The City shall be responsible for all costs associated with the transfer of the Property;
- 5. The Resilience Authority shall accept the Property in "as is" condition;
- 6. The deed transferring the Property shall include a reverter clause providing that the Resilience Authority's ownership of the Property shall revert to the City seven years from the date of the transfer.
- 6. The Resilience Authority shall apply for a brownfield grant from the Environmental Protection Agency for the purpose of remediating contamination on the property pursuant to the conditions and terms of the grant;
- 7. If the Resilience Authority is successful in obtaining a brownfield grant from the Environmental Protection Agency, the Resilience Authority shall make best efforts to complete the remediation activities of the property to the satisfaction of the grantor pursuant to the terms and conditions of the grant agreement;
- 8. During remediation, the Resilience Authority shall coordinate with the Annapolis

  Heritage Commission and the City to secure any Council-required on-site archaeological
  consulting that is not covered by the grant; any cost and liability shall be covered by the
  City.
- 9. The deed transferring the property shall include a reverter clause providing that the property shall revert to the City of Annapolis upon acceptance by the Environmental

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- Protection Agency that the remediation activities were completed pursuant to the terms and conditions of the grant.
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