

**DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT**

**By and Between**

**TOWN OF EASTON,  
TALBOT COUNTY, MARYLAND**

**and**

**SHORE HEALTH SYSTEM, INC.**

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## DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT

THIS DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT (“**Agreement**”) is made and entered into this 14<sup>th</sup> day of October, 2014, by and between SHORE HEALTH SYSTEM, INC., a Maryland corporation (“**SHS**”), the TOWN OF EASTON, a municipal corporation, organized and existing under the laws of the State of Maryland (“**Town**”), and TALBOT COUNTY, MARYLAND, a Maryland charter county (“**County**”).

### RECITALS

This Agreement is entered into based upon the following facts:

- A. The terms used in these Recitals have the meanings set forth in Paragraph 1.
- B. Title 7, Subtitle 3 of the Land Use Article of the Annotated Code of Maryland (“**Development Agreement Statute**”), authorizes the County and Town to establish procedures and requirements for the consideration and execution of Development Rights and Responsibilities Agreements (“**DRRAs**”).
- C. The Town adopted Article XV of the Easton Zoning Ordinance establishing rules, procedures and requirements for consideration of DRRAs with the Town (“**Town Enabling Law**”), and such Article XV is the source of the Town’s authority for this Agreement.
- D. The County adopted Chapter 50 of the County Code establishing rules, procedures and requirements for consideration of DRRAs with the County (“**County Enabling Law**”), and such Chapter 50, along with the County’s ownership of the Property (hereinafter defined) subject to this Agreement, are the sources of the County’s authority for this Agreement.
- E. SHS and the County have legal and/or equitable interest(s) in the Property, which consists of approximately 199.149 acres located in the incorporated area of the Town, west of Route 50, as more specifically described in Paragraph 2.2.
- F. The 2010 Town Comprehensive Plan designates the Property for future development as a “Regional-scale”, “campus-style facility” containing a new hospital, medical offices and related services. Similarly, the 2005 County Comprehensive Plan, as amended by County Resolution No. 159, designates the Property as a “primary growth area” or “Priority Development Area” appropriate for “a regional medical health care facility and related uses”. The implementation of these planning visions for the Property requires the close cooperation of the Town, County and SHS, but will facilitate the retention and provide for the expansion of a major employer and primary provider of healthcare for the region, encourage and facilitate economic investment and the creation of new jobs, and provide for improvements to and expansion of public infrastructure.
- G. At the request of the County, as owner of the Property, and SHS, as optionee of the Property, the Town annexed the Property and other lands by enacting Resolution No. 5955 on December 7, 2009.

H. The Town enacted Ordinance No. 560, which established a Regional Healthcare (RH) zoning district that is now codified as Section 411 of the Town Zoning Ordinance (“**Regional Healthcare District**”), and Town Ordinance No. 561 (effective January 21, 2010) applied the Regional Healthcare District to the Property. By Resolution No. 168, the County approved the application of the Regional Healthcare District to the Property.

I. SHS desires to develop the Property, in accordance with this Agreement and the Annexation Agreement, as a regional medical campus consisting of an acute care hospital and a variety of related uses permitted by the Regional Healthcare District. The acute care hospital shall include, at a minimum, the following services: overnight care of patients, emergency, surgery, pathology, clinical lab and pharmacy.

J. SHS petitioned the County and Town to enter into a consolidated DRRA and proceedings have been completed in accordance with the Development Agreement Statute, Town Enabling Law, and County Enabling Law.

K. The purpose of this Agreement is to facilitate the implementation of the Town and County Comprehensive Plans through the Development of the Project, and to provide assurances to SHS that the Property, if developed, may be developed pursuant to the Regional Healthcare District and other Land Use Regulations existing on the Effective Date. The Development of the Project requires a major investment of resources, planning and effort by the Town and County to support the growth area expansion and infrastructure requirements of a regional medical campus. Similarly, the Development of the Project requires SHS to make significant front-end investments in land acquisition and dedication and on-site and off-site improvements. The Town and County recognize that SHS will make substantial commitments of resources to achieve both private benefits of the Project for SHS and the public purposes and benefits of the Project for Town, County, and the entire Mid-Shore region. SHS will be unable to make and realize the benefits from such commitments without the vested rights and assurances provided by this Agreement. The Town and County have determined that the granting of such assurances is necessary to enable SHS to undertake the Development of the Project and thereby achieve the public purposes and benefits to the Town, County and region from the Project.

L. By entering into this Agreement, the Town and County expect to obtain the binding agreement of SHS to Develop the Property, if at all, in accordance with the Annexation Agreement, the Option Agreements, the Regional Healthcare District and other Existing Land Use Regulations, any Development Approvals, and this Agreement, and to provide the benefits that will accrue to the Town, County and the general public in accordance with this Agreement. In consideration therefor, the Town and County agree to exercise their governmental and any proprietary functions for the purpose of accomplishing the objectives and performance of this Agreement, and to vest rights in certain existing rules and regulations as specified herein and any Development Approvals granted or required as the result of this Agreement.

M. The general benefits to the Town and/or County from the implementation of this Agreement include:

(1) Implementing their respective Comprehensive Plans and retaining and promoting the expansion of jobs and the healthcare industry within the municipal limits of the Town consistent with the Regional Healthcare District;

(2) Providing SHS with sufficient certainty and predictability in the development process to induce SHS to incur very substantial investments in development of a regional medical center; and

(3) Ensuring the timely construction of on- and off-site improvements to facilitate development and occupancy of the Project, thereby furthering their goals and objectives for economic development.

N. The general benefits to SHS from the implementation of this Agreement include:

(1) Obtaining sufficient certainty and predictability in the development regulations to justify the required substantial up-front investment in the public and private infrastructure for a phased Project that would require many years to complete; and

(2) Defining contractual vesting of rights to develop a new hospital and regional medical campus as authorized by Existing Land Use Regulations and as this Agreement under the Development Agreement Statute.

O. In satisfaction of the requirements of Section 1504 of the Town Zoning Ordinance, on December 20, 2012, the Town Planning Commission held a public meeting on this Agreement and issued a recommendation that the Agreement is consistent with the Town Comprehensive Plan, which recommendation is memorialized as Resolution No. 12-02 and attached hereto as Exhibit A.

P. On January 7 and 22, 2013, the Town Council held a duly advertised public hearing on this Agreement in accordance with the Town Enabling Law, and approved this Agreement on February 4, 2013 by Resolution No. 6013 ("**Town Approving Resolution**"), a copy of which is attached hereto as Exhibit B. The Town Approving Resolution contains a statement, with references to specific provisions of applicable law, regulations or plans, that the proposed development is consistent with the applicable development regulations and the Town Comprehensive Plan.

Q. In satisfaction of the requirements of Section 50-5 of the County Code, on January 9 and February 6, 2013, the County Planning Commission held public meetings regarding this Agreement and issued a recommendation that the Agreement is consistent with the County Comprehensive Plan, which recommendation is memorialized as Resolution No. 13-01 and attached hereto as Exhibit C.

R. On January 22 and February 12, 2013, the County Council held a duly advertised public hearing on this Agreement in accordance with the County Enabling Law, and approved this Agreement on February 12, 2013 by Resolution No. 200 ("**County Approving Resolution**"), a copy of which is attached hereto as Exhibit D. The County Approving

Resolution contains a statement, with references to specific provisions of applicable law, regulations or plans, that the proposed development is consistent with the applicable development regulations and the County Comprehensive Plan.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are not merely prefatory but are hereby incorporated into and made a part of this Agreement; the mutual covenants and agreements set forth below; and other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Town, County and SHS hereby agree as follows:

## AGREEMENT

### 1. DEFINITIONS AND EXHIBITS

1.1 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or if the context otherwise requires, terms and phrases use in this Agreement shall have the following meanings:

1.1.1. “**Agreement**” means this Development Rights and Responsibilities Agreement, as it may be amended from time to time, including all addenda, schedules and exhibits incorporated by reference and attached hereto.

1.1.2. “**Annexation**” means the annexation effected by Town Resolution No. 5955, which extended the Town boundaries to include approximately 276.479 acres of land, including the Property subject to this Agreement.

1.1.3. “**Annexation Agreement**” means the Annexation Agreement dated December 8, 2009 between Town, County and SHS, which Agreement is recorded among the County Land Records at Liber 1757, folio 12.

1.1.4. “**Archaeological Survey**” means the reports identified in Paragraph 4.1.7.1 of this Agreement.

1.1.5. “**Building and Improvement Standards**” means the generally applicable codes, regulations and standards of the Town and any applicable County, State and federal regulations for the construction and installation of buildings, structures, facilities and associated improvements including, without limitation, Town’s building codes, plumbing code, electrical code, mechanical code, fire code, and public utilities standards. Such term includes Town- or County-specific amendments to general forms produced by code organizations like the International Code Council and the National Fire Protection Association. Any such local amendments that regulate or limit the nature, type, density, height or intensity of development, open space, impervious surface or setback requirements or other matters governed by the Town Zoning Ordinance on the Effective Date shall be considered Subsequent Land Use Regulations and may be applicable as provided herein.

1.1.6. **“Completion”** or **“Complete”** means the accomplishment and conclusion of the applicable work and improvements in accordance with all applicable Governmental Rules and substantially in accordance with the plans and specifications and other requirements, such that, subject only to minor punch-list type items, all such work and improvements are finally complete and regardless of such punch-list type items, such improvements are ready for use for their intended purposes and are fully capable of such use, and have obtained temporary or final use and occupancy approvals or permits as required.

1.1.7. **“Conflicting Subsequent Land Use Regulations”** means any Subsequent Land Use Regulation that materially limits the rate, timing or sequencing of Development of the Property or otherwise materially conflicts with the Existing Development Approvals or Existing Land Use Regulations.

1.1.8. **“County”** means Talbot County, Maryland, a charter county and political subdivision of the State.

1.1.9. **“County DPW”** means the Talbot County Department of Public Works.

1.1.10. **“County Enabling Law”** means the provisions of Chapter 50 of the County Code, and any amendments thereto, adopted by the County Council pursuant to the Development Agreement Statute to establish procedures and requirements for the County’s consideration, implementation, amendment and enforcement of DRRAs.

1.1.11. **“County Land Records”** means the Land Records for the County, as maintained by the Clerk of the Circuit Court for the County.

1.1.12. **“Development”** and **“Develop”** mean the improvement of the Property for the purposes of completing the buildings, structures, facilities and associated improvements comprising the Project including, but not limited to, demolition of existing roads and structures, grading or excavation; construction of infrastructure and public facilities related to the Project, whether located within or outside the Property; construction of buildings, structures, stormwater management facilities; and installation of landscaping.

1.1.13. **“Development Agreement Statute”** means the State enabling legislation authorizing the Town and County to enter into this Agreement that is codified in Title 7, Subtitle 3 of the Land Use Article of the Annotated Code of Maryland.

1.1.14. **“Development Approvals”** means all permits, approvals and other actions issued by Town and/or County in connection with Development of the Property including:

- (a) Lot line adjustments and/or preliminary and final subdivision plats;
- (b) Special exception approvals;
- (c) Sewer and/or water reservations or allocations;
- (d) Variances;
- (e) Road and street entrance permits and/or abandonments/vacations;
- (f) Site plan approvals;
- (g) Forest conservation plan approvals;

- (h) Grading permits;
- (i) Building permits; and
- (j) Occupancy certificates.

1.1.15. “**Easton Utilities**” means the Easton Utilities Commission, a public utility provider organized and operating under the Charter of the Town of Easton.

1.1.16. “**Effective Date**” means the date the last of all the parties hereto executes this Agreement, provided that this Agreement is recorded in the County Land Records within twenty (20) days after being fully executed.

1.1.17. “**Excusable Delay**” shall have the meaning established by Paragraph 14.

1.1.18. “**Execution Date**” means, with respect to each party, the date on which the Party executes this Agreement.

1.1.19. “**Existing Development Approvals**” means all Development Approvals approved or issued prior to the Effective Date. Existing Development Approvals include the Development Approvals incorporated herein as Exhibit E and all other Development Approvals that are a matter of public record on the Effective Date.

1.1.20. “**Existing Land Use Regulations**” means Land Use Regulations in effect on the Effective Date in which rights are intended to be vested under this Agreement. The Existing Land Use Regulations are identified below, attached hereto as exhibits for future reference and incorporated herein. With respect to the Town, the Existing Land Use Regulations include the following:

- (a) 2010 Comprehensive Plan, as adopted by Resolution No. 5958;
- (b) Zoning Ordinance, as amended by and up to and including Ordinance No. 614;
- (c) Subdivision regulations, as amended by and up to and including Ordinance No. 549;
- (d) Stormwater Management regulations, as amended by and up to and including Ordinance No. 571; and
- (e) Forest Conservation regulations, as amended by and up to and including Ordinance No. 584.

With respect to the County, the Existing Land Use Regulations include the following:

- (a) Comprehensive Plan, as amended by and up to or including Resolution No. 176 and Bill No. 1178; and
- (b) Comprehensive Water and Sewer Plan, as amended by and up to or including Resolution No. 199.

1.1.21. “**Extension Flow Reservations**” shall have the meaning established by Paragraph 7.3.

1.1.22. “**Extensions**” means, collectively, the Water System Extension and the Wastewater System Extension.

1.1.23. “**Governmental Rules**” means the laws, rules, regulations and ordinances of any applicable federal, State, County or Town governmental entity, authority or agency, court, tribunal, regulatory commission or other body, whether legislative, judicial or executive (or a combination or permutation thereof) with jurisdiction over the Project.

1.1.24. “**gpd**” means gallons per day.

1.1.25. “**Historical Properties Reports**” means the report identified in Paragraph 4.1.7.2.

1.1.26. “**Initial Plat**” means the subdivision plat prepared by Daft McCune Walker Inc. entitled “PLAT OF SUBDIVISION, LOTS 1 THROUGH 7, PARCEL A, AND REVISED TAX PARCEL 38”, dated October 8, 2014, last revised October 9, 2014 and intended to be recorded among the Plat Records of Talbot County, Maryland hereafter. The Initial Plat is incorporated herein by reference, and a reduced copy of the Initial Plat is attached hereto as Exhibit G.

1.1.27. “**Land Use Regulations**” means all ordinances, resolutions, codes, rules and regulations of the Town or County governing the development and use of land, including the permitted use of land; the density or intensity of use; subdivision requirements; the maximum height and size of proposed buildings; regulations regarding the rate, time or sequence of development; and design standards applicable to Development of the Property. “Land Use Regulations” include comprehensive plans, comprehensive water and sewer plans, zoning ordinances (including the Regional Healthcare District), subdivision regulations, development or building moratoria, stormwater management, forest conservation, growth management, adequate public facilities, and phased development programs, impact fees and development exactions. Except as provided in Paragraph 1.1.5, “Land Use Regulations” shall not include Building and Improvement Standards.

1.1.28. “**Master Plan**” shall have the meaning established in Paragraph 4.8.

1.1.29. “**Mortgage**” means any mortgage or deed of trust granted by an owner encumbering real property, or any other security interest therein existing by virtue of any other form of security instrument or arrangement used from time to time (including any such other form of security arrangement arising under any deed of trust, sale and leaseback documents, lease and leaseback documents, security deed or conditional deed, or any financing statement, security agreement or other documentation used pursuant to the provisions of the Uniform Commercial Code or any successor or similar statute); provided that such mortgage, deed of trust or other form of security instrument, and any instrument evidencing any such other form of security arrangement, has been recorded among the County Land Records.

1.1.30. “**Mortgagee**” means a mortgagee of a Mortgage, a beneficiary under a deed of trust or any other secured lender, and their successors and assigns.

1.1.31. “**Parties**” or “**Party**” mean the parties or a party to this Agreement, being the Town, County, and/or SHS, collectively or individually.

1.1.32. “**Periodic Review**” means the review required under Paragraph 11.

1.1.33. “**Phase**” means any discrete portion of the Project for which specific site plan and/or subdivision approval is sought.

1.1.34. “**Project**” means the development of the Property as a regional medical campus, including an acute care hospital.

1.1.35. “**Property**” means that certain real property located in the Town and County that is subject to this Agreement, as defined in Paragraph 2.2.

1.1.36. “**Property Wastewater Facilities**” shall have the meaning established by Paragraph 7.5.

1.1.37. “**Property Water Facilities**” shall have the meaning established by Paragraph 7.5.

1.1.38. “**Public Facilities**” means those certain portions of the Property and appurtenant or off-site improvements to be constructed and/or dedicated or conveyed to the public by SHS and/or County as set forth in Paragraph 5, including right-of-ways, road, water and sewer improvements.

1.1.39. “**Pump Station/Substation Parcel**” means the area or parcel of land described in Paragraph 5.4 and depicted by Exhibit L.

1.1.40. “**Regional Healthcare District**” means the Regional Healthcare zoning district enacted by the Town’s adoption of Ordinance No. 560 on November 2, 2009, now codified as Section 411 of the Town Zoning Ordinance, and applied to the Property by Ordinance No. 561 on January 21, 2010.

1.1.41. “**Reservations of Authority**” means the rights and authority excerpted from the assurances and rights provided to SHS in Paragraph 4 and reserved to Town and/or County as provided by Paragraph 4.4.

1.1.42. “**Section One**” means the portion of the Property designated by the Initial Plat as Lot 3 (77.075 acres±), which land area is intended to be developed with a hospital, medical office buildings and other permitted uses. For purposes of Paragraph 4.4 and 4.5 of this Agreement, uses and structures constructed within Section One in any combination of phases and/or buildings other than a hospital containing up to 410,000 square feet of gross floor area, medical office(s) containing up to 100,000 square feet of gross floor area, and ambulatory care facilities containing up to 100,000 square feet of gross floor area shall be deemed to have been constructed within Section Two and shall be subject to the reduced vesting provided to Section Two notwithstanding its location within the portion of the Property designated as Section One.

1.1.43. “**Section Two**” means all portions of the Property other than Section One, which are depicted by Exhibit F.

1.1.44. “**SHA**” means the Maryland State Highway Administration.

1.1.45. “**SHS**” means Shore Health System, Inc., a Maryland corporation, its affiliates and subsidiaries that own any portion(s) of the Property, and any successor by merger or any other corporate entity that succeeds to all or substantially all of Shore Health System, Inc.’s assets.

1.1.46. “**SHS Options**” shall have the meaning established by Paragraph 2.2.1.

1.1.47. “**SHS-Assignee**” means an SHS-Successor that the Town and County have approved, and in relation to which the Town and County have released SHS or any prior SHS-Assignee from any obligations pursuant to Section 2.6.3.

1.1.48. “**SHS-Successor**” means any owner of any portion of the Property subsequent to SHS’ ownership. Use of the term “SHS-Successor” hereinafter shall include all SHS-Assignees.

1.1.49. “**Subsequent Development Approvals**” means all Development Approvals required subsequent to the Effective Date in connection with Development of the Property.

1.1.50. “**Subsequent Land Use Regulations**” means any Land Use Regulations adopted after the Effective Date.

1.1.51. “**State**” means the State of Maryland.

1.1.52. “**Term**” means the term of this Agreement as establish in Paragraph 2.5.

1.1.53. “**Third Party**” means any person or legal entity not a party to this Agreement or an SHS-Successor.

1.1.54. “**Town**” means the “The Town of Easton”, a municipal corporation, organized and existing under the laws of the State, together with the Easton Utilities Commission, and their respective successors and assigns.

1.1.55. “**Town Enabling Law**” means the provisions of Article XV of the Town Zoning Ordinance and any amendments thereto, adopted by the Town pursuant to the Development Agreement Statute, to establish procedures and requirements for the Town’s consideration, implementation, amendment and enforcement of DRRAs.

1.1.56. “**Traffic Study**” means the traffic impact and/or signal warrant analyses identified in Exhibit T.

1.1.57. “**Wastewater System Extension**” shall have the meaning established by Paragraph 7.2.2.

1.1.58. “**Water System Extension**” shall have the meaning established by Paragraph 7.2.1.

1.1.59. “**Water Tower Parcel**” means the area or parcel of land described in Paragraph 5.3 and depicted by Exhibit K.

1.2 **Exhibits.** The following Exhibits are attached to and incorporated in this Agreement:

- A. Town Planning Commission Resolution
- B. Town Approving Resolution
- C. County Planning Commission Resolution
- D. County Approving Resolution
- E. Existing Development Approvals
- F. *RESERVED*
- G. Initial Plat
- H. Legal Description of Property
- I. Partial Assignment, Assumption and Novation Agreement Form
- J. *RESERVED*
- K. Water Tower Parcel (Lot 6, 1.000 ac.±)
- L. Pump Station/Substation Parcel (Lot 7, 1.253 ac.±)
- M. Overall On-Site Utility Concept Plan (2 sheets)
- N. *RESERVED*
- O. Utility Exhibit – Eastern Connections
- P. Utility Exhibit – Western Water Connection
- Q. Utility Exhibit – Western Electrical Connection
- R. Estoppel Certificate Form
- S. Existing Land Use Regulations:
  - i. 2010 Easton Comprehensive Plan,
  - ii. 2006 Easton Zoning Ordinance, including amendments through Ordinance No. 635,
  - iii. Easton Subdivision Regulations through Ordinance No. 549,
  - iv. Easton Stormwater Management Regulations through Ordinance No. 571,
  - v. Easton Forest Conservation Regulations through Ordinance No. 584,
  - vi. 2005 County Comprehensive Plan through Bill No. 1178 and Resolution No. 176, and
  - vii. County Comprehensive Water and Sewer Plan through Resolution No. 210;
- T. Traffic Study Summary.

## 2. GENERAL PROVISIONS

2.1 Parties; Capacities. The parties to this Agreement are the Town, County, and SHS. The County entered into this Agreement in several capacities and for several purposes: (i) in its governmental capacity under and for the purposes set forth in Chapter 50 of the County Code; (ii) in its capacity as the fee simple owner of the Property to consent to the imposition of

this Agreement on the title to the Property for the purposes for which DRRAs are intended under the Development Agreement Statute; and (iii) for the purpose of agreeing to the terms, provisions, rights and obligations related to certain Public Facilities to be provided by the County, Town, SHS and SHS-Successors. The Town entered into this Agreement in its governmental capacity: (i) under and for the purposes set forth in Article XV of the Town Zoning Ordinance, and (ii) for the purpose of agreeing to the terms, provisions, rights and obligations related to certain Public Facilities, including road improvements to be provided by SHS or SHS-Successors and public utility improvements and extensions to be provided by the County, Town, SHS and SHS-Successors.

2.2 Property. The real property that is subject to this Agreement consists of portions of Talbot County Tax Map 17, Parcels 75 and 129, containing in aggregate 199.149 acres, more or less, which land area is more specifically depicted as Lots 1, 2, 3, and 5 by the Initial Plat (Exhibit G) and more particularly described by Exhibit H.

2.2.1 The entities having the equitable and legal interests (including lienholders) in the Property as of the Execution Date are the County, which is the owner of the legal title to the Property, and SHS, which is the owner of equitable title to the Property pursuant to certain exercised option agreements (“**SHS Options**”). The assignments of the SHS Options to SHS are recorded among the County Land Records in Liber 1750, folios 404 and 407 and memoranda of the SHS Options are recorded among the County Land Records in Liber 1636, folios 346 and 359. The SHS Options have been amended and consolidated and notwithstanding any provision herein, the County and SHS and its assigns may further amend the SHS Options without amending or affecting this Agreement.

2.3 Effective Date; Conditions; Commencement of Rights and Obligations. This Agreement shall be binding and effective on the Effective Date, except that all rights and obligations of the Parties, their successors and assigns hereunder shall be contingent upon SHS’ acquisition of fee simple title to all or portion(s) of the Property except as otherwise provided herein, including, without limitation, the conditions on the County’s obligation to construct the Extensions as provided in Paragraph 7.4. Thereafter, all rights and obligations shall run with and bind the portion(s) of the Property acquired by SHS, regardless of SHS’ ownership of all or portion(s) of the Property subsequent to its initial acquisition.

Notwithstanding the foregoing, this Agreement shall automatically terminate if the County reacquires the Property pursuant to its rights under the restrictive covenant required by the SHS Options, as agreed and amended, from time to time, by SHS and the County. This Agreement does not establish, expand, modify or affect the restrictive covenant, which shall be subordinated to any Mortgage or other instrument securing any loan, bond issue, or other financing obtained and used to construct an acute care hospital and related or supporting facilities, so that, in the event of a bona fide default in the repayment of any obligation incurred to obtain financing for acquisition and/or Development of the Property, and sale of the Property under the terms of any instrument securing performance of that financial obligation, the Property may be sold by the secured party at such sale free and clear of the covenant set forth in the SHS Options and any subsequent deed.

2.4 Binding Effect of Agreement; Consent of SHS. The Property is hereby made subject to this Agreement, which is intended to vest the rights of SHS and SHS-Successors to Develop the Property during the Term in accordance with the Existing Land Use Regulations as more particularly provided herein. Any Development of the Property shall be completed in accordance with this Agreement, the terms of the Option Agreements, and any restrictive covenant imposed pursuant thereto. The burdens and benefits of this Agreement run with and are binding upon the Property, and the burdens and benefits of the Agreement constitute covenants that run with and bind the Property. SHS, as owner of equitable title to the Property, hereby consents to and joins in this Agreement for the purpose of agreeing and acknowledging that the Property shall hereafter be subject to this Agreement.

2.5 Term.

2.5.1. *Term.* Except as to those provisions of this Agreement that specifically provide for a longer duration, the term of this Agreement shall commence on the Effective Date and shall continue for a period of thirty (30) years thereafter, unless this Term is modified, extended, or terminated pursuant to the provisions of this Agreement.

2.5.2. *Justification.* Parties acknowledge and agree that the Term of the Agreement is justified by the: (i) substantial economic investment made by SHS and SHS-Successors for the development of a new hospital and medical campus, (ii) construction of extensive public and private infrastructure by the Parties, (iii) uncertainty of future market demands and political pressures, (iv) public purposes to be advanced by Development of the Property in accordance with the Existing Land Use Regulations, and (v) expectations of the Parties.

2.5.3. *Tolling of Term Upon Legal Challenge.*

2.5.3.1 If any litigation, whether initiated by a Party hereto or any other person or entity, is filed prior to the last ten (10) years of the Term seeking interpretation or construction of this Agreement or challenging the enforceability, validity or binding nature of this Agreement, the Term, with respect to any portion of the Property owned by a party or parties to such litigation and remaining subject to this Agreement, shall be tolled for the period(s) of time from the date of the filing of such litigation until the conclusion of such litigation by dismissal or final entry of judgment only if: (i) the duration of such period equals or exceeds two (2) years, and (ii) the owner(s) of all or portion(s) of the Property seeking to toll the Term for such litigation prevailed in such litigation, as determined by the court. If any litigation, whether initiated by a Party hereto or any other person or entity, is filed during the last ten (10) years of the Term hereof seeking interpretation or construction of this Agreement or challenging the enforceability, validity or binding nature of this Agreement, the Term, with respect to the entire Property, shall be extended for the period(s) of time from the date of the filing of such litigation until the conclusion of such litigation by dismissal or final entry of judgment if the owner(s) of all or portion(s) of the Property seeking to toll the Term for such litigation prevailed in such litigation, as determined by the court.

2.5.3.2 If any litigation, whether initiated by a Party hereto or any other person or entity, is filed or underway during the last ten (10) years of the Term challenging any local, State or federal Development Approval or denial, modification, revocation or refusal to issue or process a Development Approval, or otherwise raising issues of the validity of any of the Development Approvals, the Term, with respect to the portion(s) of the Property or lot(s) or parcel(s) of land to which the subject Development Approval directly relates, shall be tolled for the period(s) of time from the date of the filing of such litigation until the conclusion of such litigation by dismissal or final entry of judgment, or if the litigation was underway prior to the last ten (10) years of the Term, the Term shall be tolled for the period of time during the last ten (10) years for which the litigation is active, if the owner(s) of all or portion(s) of the Property seeking to toll the term of such litigation prevailed in such litigation, as determined by the Court.

*2.5.4. Tolling of Term for Inadequate Utility Capacity, Moratoria or Default.*

The Term shall be tolled for the duration(s) of occurrences of Excusable Delay(s) described by Paragraph 14(g), or moratoria that materially affect Development of all or portion(s) of the Property, as follows:

(a) a lack of utility capacity or moratorium occurring during the first twenty (20) years of the Term shall toll or extend the Term only if the duration of such condition or the collective duration of such conditions exceeds two (2) years; and

(b) a lack of utility capacity or moratorium occurring during the last ten (10) years of the Term shall toll or extend the Term for the duration of such conditions(s).

*2.5.5. Tolling of Term During Conflict of Law Suspension.* The Term shall be tolled during the period(s) that a total suspension of the Agreement imposed by Paragraph 17 is in full force and effect, however, the cumulative tolling period arising under this Paragraph shall not exceed five (5) years.

*2.5.6. Notice of Extension or Tolling.* If the Term is tolled as to portion(s) of the Property pursuant to Paragraphs 2.5.3 through 2.5.5, then, as to that portion(s) of the Property, the owner(s) of the Property seeking to confirm the occurrence and duration of the tolling ("**Notifying Owner**") shall prepare and send to the Parties hereto a notice describing the circumstances giving rise to and identifying the portion(s) of the Property to which it is applicable. Such notice shall be provided not later than one (1) year following the earliest date on which a tolling shall take effect, otherwise the right to assert that the Agreement is tolled under this Section 2.5 shall be waived. If all Parties receiving such notice either agree with the tolling described therein or fail to respond in writing to the Notifying Owner within thirty (30) days of receipt of such notice, the Notifying Owner shall record such notice in the County Land Records as an addendum to this Agreement along with a certification that the Parties were notified in accordance with the provisions of this Paragraph and Paragraph 2.8 and consented to or failed to object to the tolling proposed. If any Party objects to the proposed tolling or to the scope of its proposed application, the Notifying Owner, SHS, Town and County shall meet to discuss and, in good faith, reasonably resolve any disputes related to the proposed tolling or to the scope of its proposed application. The agreement of the Parties and the Notifying Owner

resulting from such discussions or, if applicable, any final judicial decree confirming the occurrence and duration of the tolling and the scope of its application shall be recorded in the County Land Records as an addendum to this Agreement. Due to the time associated with litigation, if, during the last five (5) years of the Term of this Agreement, a dispute arises regarding a tolling notice under this Paragraph 2.5, the Notifying Owner shall be entitled to tack on to the claimed tolling period the duration of such dispute and/or litigation if the Notifying Owner prevails in its claim and proposed scope of tolling rights.

2.5.7. *Rule Against Perpetuities.* If any provision of this Agreement shall be void or voidable for violation of the Rule Against Perpetuities, such provision shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England. Notwithstanding any provision to the contrary, the Term shall not be extended under any circumstances for a period that would cause this Agreement or any provision hereof to be void as violating the Rule Against Perpetuities.

## 2.6. Transfer of Rights and Interests.

2.6.1. *Transfer of Property and Rights Hereunder; Assumption of Obligations.* SHS and SHS-Successors may sell, transfer or convey some or all of the Property at any time during the Term, without approval of Town or County. Except as provided below, any purchaser or transferee shall be subject to all of the obligations of SHS and SHS-Successors under this Agreement insofar as such obligations are applicable to the portion of the Property sold, transferred or conveyed. Any purchaser or transferee shall also have such rights arising under this Agreement and applicable to the portion of the Property sold, transferred or conveyed only when expressly designated herein to pass to such SHS-Successor (or SHS-Assignee, if such SHS-Successor is approved as an SHS-Assignee in accordance with Paragraph 2.6.3). To the extent that the right to Develop the transferred portion of the Property is governed by certain zoning standards of the RH District that are evaluated on the basis of the entire Property or RH District, including without limitation, lot coverage, open space, and intensity limitation, such transferred portion of the Property shall only have the right to occupy, utilize or impact such standards or attributes as may be expressly assigned by SHS. The Town shall have no responsibility to SHS or any transferees for arbitrating or accounting for such assignments. A transferee's failure or refusal to provide a written assumption agreement pursuant to Paragraph 2.6.3 shall not negate or otherwise affect the liability of the transferee to perform such duties and obligations. Notwithstanding the foregoing or any other provision to the contrary herein, SHS' right to consent to any amendment of this Agreement may not be sold, assigned, transferred or otherwise delegated. Such right to amend is expressly reserved to SHS, subject to the approval of any amendment by the Town and County. No SHS-Successor or SHS-Assignee shall be a Party to this Agreement.

2.6.2. *Constructive Notice and Acceptance.* Except with respect to individual lots in relation to which this Agreement has terminated pursuant to Paragraph 13.2, every person who, now or hereafter, owns or acquires any right, title or interest in or to the Property (or portion thereof) is (and shall be conclusively deemed to have consented and agreed to be) bound by every provision contained in this Agreement applicable to the portion of the Property so owned, whether or not any reference to this Agreement is contained in the instrument by which

such person acquired such right, title or interest. Reference to this Agreement shall be included in any deed for all or portion(s) of the Property during the Term hereof, but failure to include such reference shall not impact the effectiveness of this Agreement.

2.6.3. *Release of SHS and/or SHS-Assignee.* Upon the delegation of the duties and obligations under this Agreement and the sale, transfer or assignment of all or any portion of the Property, SHS (and/or SHS-Assignee) will be released from obligations arising hereunder subsequent to the date of such transfer with respect to the Property (or portion thereof) so transferred if: (i) the transferor has provided to the Town and County written notice of the transfer, (ii) the transferee has agreed in writing with the Town and County to be subject to all of the provisions hereof applicable to the portion(s) of the Property so transferred by executing a Partial Assignment, Assumption and Novation Agreement substantially in the form of Exhibit I; (iii) transferee has provided the Town and County adequate financial information to demonstrate, to the Town and County's reasonable satisfaction, the transferee's capability to fully and timely perform all financial and other obligations to the Town or County under this Agreement that are applicable to the portion(s) of the Property so transferred; (iv) the transferor is not currently in default, and (v) the Town and County execute a written consent, which consent shall not be unreasonably withheld. As a condition of executing such agreement, the Town and County may reasonably require the provision of performance bond(s) of other surety in form and amount reasonable to ensure the performance of the transferee's obligations to the Town or County under this Agreement. In the event of any transfer of land located in Section One prior to Development of an acute care hospital on the Property, such transferee shall also demonstrate, to the Town and County's reasonable satisfaction, the transferee's capability to Develop the minimum acute care hospital and infrastructure required by the Annexation Agreement and this Agreement.

Upon transfer of any portion of the Property, the express assumption of the transferor's obligations hereunder by such transferee, and compliance with the preceding paragraph, the Town and County shall look solely to the transferee for compliance with the provisions of this Agreement as such provisions relate to the portion of the Property acquired by such transferee. Except as limited in Paragraph 2.6.1 regarding development rights, with respect to the portion of the Property transferred, such transferee shall thereafter be entitled to the additional rights of an "SHS-Assignee" hereunder.

Any transferee shall be responsible for satisfying the good faith compliance requirements set forth in Paragraph 11 relating to the portion of the Property owned by such transferee. Nothing contained herein shall be deemed to grant to the Town or County authority to approve any sale or transfer.

## 2.7. Amendment.

2.7.1. Writing Required. This Agreement may be amended, in whole or in part, only by written consent of SHS, Town and County, and in accordance with the procedures set forth in this Paragraph. All such writings shall be: (i) signed by all Parties whose consent is required, (ii) in a form suitable for recordation in the County Land Records, and (iii) recorded in the County Land Records. This provision shall not limit any remedy of any Party as provided by this Agreement.

2.7.2. *Procedure.* The Parties may only amend this Agreement in accordance with the procedures of the Development Agreement Statute and, as applicable, the Town Enabling Law and/or County Enabling Law.

2.8. *Notices.* All notices and other communications in connection with this Agreement shall be in writing. By notice complying with the requirements of this Paragraph, each Party may change the address or addressee or both for all future notices and communications to such Party, but no notice of a change of address shall be effective until actually received. Any SHS-Successor with respect to a portion of the Property shall notify SHS, Town and County in accordance with this Paragraph of its notice address immediately upon any transfer or conveyance, but, prior to their receipt of such notice, the original Parties may (but are not obligated to) send communications to the mailing address indicated in the tax records for Talbot County for such portion of the Property. Notices requested by a Mortgagee pursuant to Paragraph 15.3 shall be sent to the address specified in the Mortgagee's written request, unless modified pursuant to this Paragraph.

Notices and communications to SHS shall be addressed to, and delivered at, the following addresses:

Shore Health System, Inc.  
219 S. Washington Street  
Easton, Maryland 21601  
Telephone (410) 822-1000  
Attn: Kenneth Kozel, President

*with copies to:*  
University of Maryland Medical System Corp.  
250 West Pratt Street, Suite 2400  
Baltimore, Maryland 21201  
Telephone: (410) 328-1635  
Attn: Megan M. Arthur, Sr. Vice President &  
General Counsel

SHS - DRRA  
c/o Miles & Stockbridge P.C.  
101 Bay Street, Suite 2  
Easton, Maryland 21601  
Telephone (410) 822-5280  
Attn: John Murray, Esq. & Ryan Showalter, Esq.

Notices and communications to the Town shall be addressed to, and delivered at, the following addresses:

Town of Easton  
14 S. Harrison Street  
Easton, Maryland 21601  
Telephone (410) 822-2525  
Attn: Mayor and Town Manager

*with a copy to:*  
Ewing, Dietz, Fountain & Kehoe, P.A.  
16 S. Washington Street  
Easton, Maryland 21601  
Telephone (410) 822-1988  
Attn: Sharon VanEmburch, Esq.

Notices and communications to the County shall be addressed to, and delivered at, the following addresses:

Talbot County  
11 N. Washington Street  
Easton, Maryland 21601  
Telephone (410) 770-8001  
Attn: President, County Council

*with a copy to:*  
Talbot County Attorney  
11 N. Washington Street  
Easton, Maryland 21601  
Telephone (410) 770-8093  
Attn: Michael Pullen, Esq.

Notice shall be accomplished only in accordance with one of the following procedures, and shall be effective, in all cases, upon actual receipt or refusal to accept:

- (a) By personal (hand) delivery to a Party, and if a Party is an entity, to an adult representative of such Party, at the street address for the Party;
- (b) By United States certified or registered mail, postage prepaid, with return receipt requested, to the street address for the Party; or
- (c) By a nationally-recognized delivery service company to the street address with written proof of delivery.

Facsimile and email communications shall not constitute notice. In the event any applicable statute, law, rule or regulation requires notice to be delivered in a particular manner, or to a particular address for a Party, such statute, law, rule or regulation shall control, unless the requirements of such statute, law, rule or regulation can be waived, in which case all Parties hereby waive such requirements.

2.9. Relation to Annexation Agreement. Except as specifically provided below, where this Agreement addresses subjects previously addressed in the Annexation Agreement, the Parties intend the provisions of this Agreement to supplement and further define and, when performed, satisfy the Parties' obligations established by the Annexation Agreement. Excluding infrastructure obligations, which are addressed in this Agreement to the satisfaction of all parties, to the extent of any inconsistency between this Agreement and the Annexation Agreement, the Annexation Agreement shall control. The following provisions of the Annexation Agreement are not addressed or affected by or subject to this Agreement:

- (a) Recitals, Paragraph J;
- (b) Section 2.1;
- (c) Section 3.1(a) in part, to the extent it requires that, if SHS proceeds with Development of the Property, initial construction, other than grading, drainage and infrastructure improvements, shall include construction of at least the first phase of an "accredited acute care hospital" (as defined by the Annexation Agreement) on the Property. When all phases of construction of the hospital are complete, the "accredited acute care hospital" constructed on the Property shall contain at least 100 beds;
- (d) Section 4, in part, to the following extent: nothing in the Annexation Agreement shall be interpreted to obligate the County or Town to use or appropriate highway user revenues, development impact fees or other public funds for infrastructure improvements;

- (e) Section 4.2, in part, to the extent it provides that future ordinances enacted by the Town shall apply to the County only to the extent the County is not otherwise exempt from such enactments;
- (f) Section 6.17; and
- (g) Section 6.19.

**3. REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS**

**3.1. By All Parties.**

3.1.1. *Procedural Sufficiency.* All Parties acknowledge and agree that all required notices, meetings, and hearings have been properly given and held by Town and/or County with respect to the approval of this Agreement and agree not to challenge this Agreement or any of the obligations or rights created by it on the grounds of any procedural infirmity or any denial of any procedural right.

3.1.2. *Town and County Approval of Future Agreements.* Notwithstanding anything to the contrary herein, any contracts or agreements contemplated to be entered into by the Town or County under the terms of this Agreement that are not attached as exhibits hereto will be subject to the prior approval of the Town or County, if the approval of such body is required under the terms of the Town Charter, County Charter or other applicable law.

3.1.3. *Litigation.* To the knowledge of each Party, there are no legal actions or proceedings pending or threatened against such Party (or its agencies) which, if adversely determined, would materially and adversely affect the ability of such Party to fulfill its obligations under this Agreement.

3.1.4. *Enforceability.* This Agreement and all obligations of each Party hereunder are enforceable against such Party in accordance with their terms.

3.2. Town. The Town hereby makes the following representations, warranties and covenants to and with SHS and the County as of the Execution Date:

(h) *Existence.* The Town is a municipal corporation of the State situated in the County.

(i) *Power and Authority.* The execution and performance by the Town of this Agreement has been duly authorized by a Town resolution adopted in conformity with the Town Charter, Development Agreement Statute, and Town Enabling Law.

3.3. County. The County hereby makes the following representations, warranties and covenants to and with SHS and the Town as of the Execution Date:

(a) *Existence.* The County is a charter county and political subdivision of the State.

(b) *Power and Authority.* The execution and performance by the County of this Agreement has been duly authorized by a County resolution adopted in conformity with the County Charter, Development Agreement Statute, and County Enabling Law.

(c) *Ownership of Property.* The County hereby certifies that it is the owner of legal and equitable interests in the Property.

3.4. SHS. SHS hereby makes the following representations, warranties and covenants to and with the Town and County as of the Execution Date:

(a) *Existence.* SHS is a corporation duly organized and legally existing under the laws of the State and qualified to transact business in the State.

(b) *Authorization.* SHS is duly and legally authorized to enter into this Agreement and has complied with all laws, rules, regulations, charter provisions and bylaws relating to its corporate existence and authority to act, and the undersigned is authorized to act on behalf of and bind SHS to the terms of this Agreement. SHS has all requisite power to perform all of its obligations under this Agreement. The execution of this Agreement by SHS does not require any consent or approval that has not been obtained.

(c) *Ownership of Property.* SHS hereby certifies that it has exercised and is the contract purchaser under the SHS Options.

#### **4. REGULATION OF DEVELOPMENT; VESTING**

4.1. Development. The following policies set forth in this Paragraph 4 shall govern the subdivision, development and use of the Property.

4.1.1. *Permissible Uses of the Property; Density and Intensity of Use.* SHS and SHS-Successors may develop the Property in accordance with the permissible uses and at the density and intensity permissible under the Regional Healthcare District and in accordance with the Existing Land Use Regulations, subject to: (i) obtaining site plan approval for the Property or any portion thereof, (ii) compliance with the obligations hereunder of SHS and SHS-Successors (subject to Paragraph 2.6.3), and (iii) compliance with all valid conditions and prerequisites for all necessary Development Approvals.

4.1.2. *Rights to Develop.* SHS and SHS-Successors shall have vested rights, to the maximum extent allowed under State law to develop the Property in accordance with and to the maximum extent allowed by the Existing Land Use Regulations, Existing Development Approvals and this Agreement. Notwithstanding the Reservations of Authority of Paragraph 4.4 or any other provision herein to the contrary, this Agreement is supplemental to, and shall not abrogate or limit any rights that may vest under Maryland law. SHS and SHS-Successors are provided and assured vested rights under the Land Use Regulations of the Town and County applicable to and governing Development of the Property during the Term as provided by Paragraph 4.4.

4.1.3. *Building Standards.* All construction on the Property and all construction of required off-site improvements shall adhere to generally applicable Building and Improvement Standards in effect at the time of issuance of the permit(s) required for such construction.

4.1.4. *Exactions, Mitigation Measures, Conditions, Reservations and Dedications.* All Town and County exactions, mitigation measures, conditions, reservations and dedications of land for public purposes that are applicable to Development of the Property are either set forth in this Agreement or shall be applied under Existing Land Use Regulations except to the extent that future authority is reserved by Paragraph 4.4.

4.1.5. *Application, Processing, Permit and Inspection Fees.* Notwithstanding anything herein to the contrary, SHS and SHS-Successors shall pay all Town and County administrative, application, review and processing fees for Development Approvals, plan reviews, building permits, inspections, and occupancy permits, generally applicable on a Town/County-wide basis for similar projects, at the rate and amount in effect at the time the fee is required to be paid. This provision shall not apply to impact fees, excise taxes, adequate public facilities or concurrency fees, contributions, exactions or other such requirements, which are addressed by other provisions of this Agreement.

4.1.6 *Moratoria.* This Agreement contemplates and provides for the development of the Property and during the Term hereof no ordinance, resolution or regulation imposing a moratorium or other limitation on the rate, timing or sequencing of the Development of land otherwise affecting the Property or any portion(s) thereof shall apply to or govern the development of the Property, whether affecting subdivision plats, site plans, building permits, occupancy permits or other approvals issued or granted by Town or County, except as may be adopted pursuant to Paragraph 4.4. In the event of any future moratorium, ordinance, resolution, rule or regulation, unless adopted by Town or County as provided by Paragraph 4.4, SHS and SHS-Successors shall continue to be entitled to apply for and receive approvals as contemplated by this Agreement and in accordance with the Land Use Regulations applicable to the Property pursuant to this Paragraph 4.

4.1.7 *Cultural Resources.*

4.1.7.1 Archaeological Evaluation. Edward Otter, Inc. conducted an archaeological survey to identify and evaluate any prehistoric sites located on the Property. The summary of this evaluation is reported in a report entitled "Phase I Archaeological Survey Between Route 50 and Hailem School Road, Easton, Talbot County, Maryland", dated December 16, 2011, which was supplemented by a report entitled "Phase II Archaeological Investigations 18TA420, 18TA424, 18TA425, and 18TA427, Between Route 662 and Hailem School Road, Easton, Talbot County, Maryland" and dated July 15, 2012 (collectively, the "Archaeological Survey"). Of the twelve sites identified by the Archaeological Survey, only two (18TA424 and 18TA425) were identified for preservation in place. By letter dated September 10, 2012, the Archaeological Survey conclusions were accepted by the Maryland Historical Trust ("MHT"). Since current Development plans for the Property will not impact these two areas, MHT determined that such Development will have no effect on historic

properties and that no further archaeological work is warranted at these sites at this time. SHS has sufficiently addressed any issues related to prehistoric sites, and SHS is satisfied that it has complied with MHT requirements for archaeological investigation sufficient to permit Development of the Property as a Regional Medical Center.

4.1.7.2 Historic Structures. Architectural historian, Bill Lebovich, evaluated all structures identified by MHT that are or were located on or in close proximity to the Property to determine whether any significant historic structures existed, and, if so, whether the preservation, restoration and/or maintenance of such structures are economically reasonable and feasible. Specifically, the sites and any remaining structures of the Anne Paris Telescope House, Tilghman's Fortune and Wickersham (Dawson Baker Farm) were evaluated and Determination of Eligibility Forms were filed with the MHT, collectively referred to as the "Historical Properties Reports." None of these structures are located on the Property or eligible for listing in the National Register. Based on this work and other information, MHT confirmed that "[t]he project will have no adverse effects on historic buildings or landscapes."<sup>1</sup> SHS has sufficiently addressed any issues related to historic structures, and SHS is satisfied that it has complied with MHT requirements for historical investigation sufficient to permit Development of the Property as a Regional Medical Center.

4.1.8. *Protection of Sensitive Areas.* Any disturbance of forested or wetland areas for development purposes shall be conducted in accordance with the Existing Land Use Regulations and other applicable laws, regulations, permits and authorizations.

4.2 Duration of Development Approvals. Notwithstanding any provision of this Agreement, all Existing Development Approvals and all Subsequent Development Approvals shall remain in effect during the term(s) for which they have been or will be issued in accordance with Town/County-wide ordinances, rules or regulations, unless: (i) the expiration date is governed by Federal or State law, or (ii) SHS or the SHS-Successor with respect to the portion of the Property subject to the Development Approval consents in writing to an earlier expiration date.

4.3 Future Regulation of Development by Town and County. During the Term, the Town and County Land Use Regulations applicable to and governing Development of the Property (including permitted uses, density and intensity of uses, maximum height and size of structures, and provisions for protection of sensitive areas and reservation and dedication of land for public purposes other than dedications typically required for utility easements and road widening) shall be the Existing Land Use Regulations, together with only amendments and additions adopted pursuant to the Reservations of Authority provided in Paragraph 4.4, notwithstanding any future action of Town or County, whether by ordinance, resolution, or otherwise.

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<sup>1</sup> Letter addressed to Kathy Anderson, U.S. Army Corps of Engineers from Beth Cole, Administrator, Project Review and Compliance, MHT dated March 20, 2012 regarding "MHT Review of Phase I Archeological Surveys of Shore Health System Regional Medical Center Project – Talbot County, Maryland – 201161196"

4.4 Limitations, Reservations of Authority and Exceptions. Notwithstanding anything to the contrary herein, and in addition to the Existing Land Use Regulations, the Town and County reserve authority to adopt certain Subsequent Land Use Regulations, which, if so adopted, shall apply to and govern the Development of the Property as follows:

4.4.1 *Section One Reservations of Authority.* The following Subsequent Land Use Regulations shall apply to and govern Development of Section One during the Term (collectively, the “**Section One Reservations of Authority**”):

(a) *Non-Conflicting Subsequent Land Use Regulations.* Subsequent Land Use Regulations that are not in conflict with and are not more stringent than Existing Development Approvals or Existing Land Use Regulations;

(b) *Conflicting Subsequent Land Use Regulations.* Conflicting Subsequent Land Use Regulations, provided that SHS has given the Town or County, as applicable, specific written consent to the application of such Conflicting Subsequent Land Use Regulations to Development of the Property or portion(s) thereof;

(c) *State and Federal Laws and Regulations.* Existing and future state and federal laws and regulations, together with any Land Use Regulations and actions adopted or undertaken by the Town or County to comply with such state and federal laws and regulations; provided that any provision that is more restrictive than required to comply with such state and federal laws and regulations shall not apply to Development of Section One unless such more restrictive provision or a corresponding similar provision existed as of the Effective Date. In the event that state or federal laws and regulations or related Land Use Regulations prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such state or federal laws and regulations, and this Agreement shall remain in full force and effect to the extent that: (i) it is not inconsistent with such laws and regulations, and (ii) performance of the remaining provisions would not be inconsistent with the intent and purposes of this Agreement. To the extent reasonably possible, such modification or suspension shall be accomplished in a manner that minimizes any adverse impact on the parties’ rights and obligations hereunder;

(d) *Public Health, Safety or Welfare.* Subsequent Land Use Regulations that are adopted by Town or County, which may be in conflict with the Existing Development Approvals or Existing Land Use Regulations, if the Town or County determines that compliance with such Subsequent Land Use Regulations is essential to ensure the public health, safety, or welfare of residents of all or part of the Town or County, as applicable;

(e) *Impact Fees, Excise Taxes or Exactions.* Any impact fee, excise tax, allocation fee, exaction or other required fee or payment which is generally applicable throughout the Town or County to similar uses or development applications, subject to all provisions of such laws, including opportunities for credit agreements and site-specific analyses; and

(f) *Private Road Standards.* Private roads constructed within the Property shall be subject to private road construction and maintenance standards as may be adopted by the Town from time to time.

4.4.2 Section Two Reservations of Authority. The following Subsequent Land Use Regulations shall apply to and govern Development of Section Two during the Term (collectively, the “**Section Two Reservations of Authority**”):

(a) The Reservations of Authority set forth in Paragraphs 4.4.1(a), (c), (d), (e) and (f);

(b) *Conflicting Subsequent Land Use Regulations.* Conflicting Subsequent Land Use Regulations, provided that:

(i) SHS has given the Town or County, as applicable, specific written consent to the application of such Conflicting Subsequent Land Use Regulations to Development of the Property or portion(s) thereof, or

(ii) such Conflicting Subsequent Land Use Regulations: (1) are generally applicable throughout the Town or County, (2) do not affect the permitted uses of the Property, the density and intensity of uses, the maximum height and size of structures, or provisions for protection of sensitive areas, and (3) either: (A) are solely procedural or administrative in nature, including procedures for obtaining site plan and subdivision plat review and approval, or (B) constitute design or construction standards and specifications for infrastructure improvements.

(c) *Concurrency or Adequate Public Facilities Requirements.* Subsequent Land Use Regulations that are generally applicable throughout the Town or County and that require public improvements as a result of Development proposed within Section Two, which improvements are reasonably required and sized considering objective and generally-recognized engineering or planning standards. In addition, Subsequent Land Use Regulations adopted by Town or County to establish requirements related to the adequacy of public infrastructure or concurrency between Development activities and the provision, improvement or expansion of off-site public infrastructure shall apply to Development within Section Two; and

(d) *Stormwater Management and Forest Conservation.* Subject to the provisions of Paragraph 6.3.4 and 8.1, Development within Section Two for which a building permit application is filed more than ten (10) years after the Effective Date shall be subject to the Town’s generally applicable stormwater management and forest conservation rules, regulations and programs in effect on the date of issuance of the permit(s) and approval(s) of such Development, unless the portion of the Property for which such permit is issued is vested or grandfathered under State law or the terms of prior rules, regulations and programs.

4.4.3 *Police Powers; Full Extent of Law.* The Parties acknowledge that the Town and County are restricted in their authority to limit their police powers by contract and that the foregoing limitations, reservations, and exceptions are intended to reserve to the Town and

County all of their police powers that cannot be so limited. Pursuant to Paragraphs 4.4.1 and 4.4.2, the Town and County reserve their police power to adopt ordinances, regulations, policies and other enactments affecting the Property to address essential matters of public health, safety or welfare. Notwithstanding the foregoing, this Agreement shall be construed, contrary to its stated terms if necessary, to reserve to the Town and County all such powers and authority that cannot be restricted pursuant to applicable law.

#### 4.5 Future Assurances to SHS Regarding Exercise of Reservations of Authority.

##### 4.5.1 *Context of Annexation, Regional Healthcare District and this Agreement.*

In adopting the 2010 Easton Comprehensive Plan, annexing and applying the Regional Healthcare District to the Property, and granting any Existing Development Approvals, the Town considered the health, safety, and welfare of the existing and future residents and populations of Town, the benefits of the Project to the Town, County and region, and potential impacts associated with development of the Project on the Town and its public facilities and services. Without limiting the generality of the foregoing, the Town Planning Commission and Town Council considered and determined the projected needs (taking into consideration the planned development of the Project, the Town and adjacent areas) for Town services within the Project, the Town and adjacent areas and the appropriateness of the nature of uses permitted in the Regional Healthcare District and the density and intensity of the Project.

Similarly, in amending the County Comprehensive Plan and County Comprehensive Water and Sewer Plan to support the Project, petitioning for and consenting to the Town's annexation and establishment and application of the Regional Healthcare District to the Property, and reviewing and approving the infrastructure commitments herein, the County considered the health, safety, and welfare of the existing and future residents and populations of County, the benefits of the Project to the Town, County and region, and potential impacts associated with development of the Project on the County and its public facilities and services. Without limiting the generality of the foregoing, the County Planning Commission and County Council considered and determined the projected needs (taking into consideration the planned development of the Project and adjacent areas in the County) for County services within the Project, if any, and elsewhere in the County and the appropriateness of the nature of uses permitted in the Regional Healthcare District and the density and intensity of the Project.

With reference to Section One, the foregoing analyses by the Town and County specifically included, without limitation, consideration of the traffic impact and signal warrant analyses described by the Traffic Study Summary. With respect to impacts and improvements to County and Town roads, such studies have not evaluated Development of the Property beyond the scope described in Paragraph 6.3.2, and County and Town reserve the right to require additional improvements in accordance with the provisions of Paragraph 6.3.2 as to the County and in accordance with the site plan review process for the Town.

##### 4.5.2 *All Governmental Approvals Required Before Development of Property.*

This Agreement provides assurances to SHS and SHS-Successors with respect to the Land Use Regulations that will apply to the Property, but prior to Development any of the Public Facilities or any portions of the Property, SHS or SHS-Successors shall obtain site plan and subdivision

approval and/or all required permits and approvals in accordance with this Agreement. Nothing herein shall, in any way, constitute a Development Approval of a specific project.

4.6 Actions of Other Public, Quasi-Public and Private Entities. Development of the Property may require actions by and/or agreements with other public, quasi-public or private entities in granting permits and approvals, generally as follows:

(a) Federal, State, and other agencies having jurisdiction and dealing with, inter alia, air quality, sewer, water, wastewater, storm drainage, radiology, solid waste, healthcare and transportation facilities; and

(b) Providers of utilities and owners of utility lines and easements.

Except as may be provided below with respect to the Water System Extension and Wastewater System Extension, at the sole discretion of and in accordance with the construction schedule established by SHS or SHS-Successors, SHS or SHS-Successors shall apply for such other permits and approvals as may be required by other public and quasi-public and private entities in connection with the development of, or the provision of services to, the Property.

4.6.1 *No Limitation of Authority; Mutual Cooperation.* Excluding the Easton Utilities Commission, which is a commission and agent of the Town, this Agreement does not limit the rights or authority of other public and quasi-public and private entities. SHS, Town and County shall cooperate with each other and, consistent with their respective obligations to administer and abide by local, State and federal laws, ordinances, and regulations, assist each other to obtain permits and approvals. The Parties shall, from time to time at the request of another, use best efforts to support applications pending before such other entities (except utilities that compete with Easton Utilities) as may be necessary to ensure the timely availability of such permits and approvals. The Party requesting another to use best efforts to support any such application shall be responsible for all out-of-pocket expenses incurred by the other in connection with applications to such other entities.

4.7 Limitation on Uses. The Property may only be developed with uses authorized by the Regional Healthcare District, as amended from time to time pursuant to Paragraph 4.4. Specifically, any application for any of the Town's floating zones shall be limited to the uses authorized by the Regional Healthcare District applicable at the time of filing of such application and shall not include any other uses. Without limitation of the foregoing, during the Term, Development of all portions of the Property shall be consistent with the statement of purpose set forth in Section 411.1 A of the Regional Healthcare District in existence on the Effective Date, which shall control Development of the Property in the event of any inconsistent amendment to the Town Zoning Ordinance. The Town and County shall cooperate with one another concerning any proposed amendment, supplement, change, or repeal ("**Proposed Change**") to the uses permitted in the Regional Healthcare District. The Town shall promptly notify and provide the County with any Proposed Change to the permitted uses for review for consistency with the statement of purpose set forth in Section 411.1 A of the Regional Healthcare District. If the Parties are unable to agree as to consistency they shall meet and confer with the objective of attempting to arrive at a mutually acceptable outcome that substantially advances the objectives

of all Parties in entering into this Agreement. Throughout any such process the Parties shall abide by the covenant of good faith and fair dealing in paragraph 18.16 of this Agreement.

4.8 Master Plan(s).

4.8.1 Prior to, or concurrent with, filing for Site Plan Review with the Town for any improvement on the Property (except for those improvements contained in Section One), SHS shall file with the Town a Master Plan(s). The Master Plan shall be a conceptual plan indicating the physical and functional relationships between proposed (and existing) buildings, uses, facilities and other improvements on the subject portion of the Property. A Master Plan need not be for the entire Property, and during the term of this Agreement SHS may prepare and submit a series of Master Plans prior to the development of various portions of the Property.

4.8.2 Prior to filing a Master Plan, the Town Planner shall establish the contents of the Master Plan submittal, which at minimum, shall contain:

(a) a depiction of the portion of the Property to which the Master Plan will apply, as well as its existing conditions;

(b) a conceptual depiction of the existing or previously approved improvements in all adjacent phases if the submittal is part of a series of Master Plans and a depiction of all existing or previously approved public improvements adjacent to the Property;

(c) a conceptual depiction of anticipated improvements, including, roads, parking areas, buildings, structures, stormwater management facilities, location of infrastructure, open space, landscaping plans, recreational area, pedestrian access and linkages throughout the subject portion of the Property;

(d) a conceptual illustration of the character and scale of buildings and structures generally anticipated on the subject portion of the Property, including narratives and illustrations that establish guidelines for design elements such as: setback, orientation, scale, proportion, rhythm, massing, height, materials, roof shape, details and ornamentation, and color;

(e) a description of the relationship between the uses and improvements on the subject portion of the Property included in the Master Plan and adjacent portions of the Property;

(f) a description of the restrictive covenants that will apply to Development of the Property so as to insure implementation, continuity and enforcement of design elements, as well as maintenance of common areas and facilities; and

(g) any other information the Town Planner determines is reasonably necessary for evaluation of the Master Plan.

4.8.3. Each Master Plan shall be submitted to the Planning Commission for its review. The Planning Commission shall comment on the Master Plan's consistency with other

Master Plan(s) for adjacent and nearby portions of the Property and with the Regional Healthcare District. While the Master Plan is not approved or regulated by the Town, the purpose of the Master Plan submittal and review is to ensure that, during the Term hereof, Development plans for Section Two are prepared with consideration of use, appearance, function, transportation and infrastructure relationships extending beyond the specific Development site to promote coordinated, cohesive and complimentary design of the medical campus. During the Term hereof, the Master Plan will serve as a general guide for Development of the portion of the Property for which it was prepared unless SHS submits revised Master Plan(s) for such portion of the Property. Master Plan(s) for the Property (or any portion thereof) shall in no way limit the vesting provided for in this Agreement.

## 5. PUBLIC FACILITIES

5.1. Construction of Public Facilities. The Public Facilities described in this Paragraph 5 shall be constructed in accordance with the provisions of this Agreement, the Building and Improvement Standards, and approved plans and specifications. Any public improvements or infrastructure to be owned and maintained by the Town shall comply with the Town's design standards and requirements in effect at the time of issuance of the approval(s) for such construction. Any public improvements or infrastructure to be owned and maintained by the County shall comply with the County's design standards and requirements in effect at the time of issuance of the approval(s) for such construction.

5.2 Operation, Maintenance, Repair, and Replacement. Except as expressly set forth in this Agreement, the approved plans, specifications, and contracts for construction, or in any transfer or dedication documents, neither the State, Town nor the County shall be responsible for the operation, maintenance, repair or replacement of any of the Public Facilities, or the cost thereof, until after the completion thereof and formal acceptance of the Public Facilities by the State, Town or County.

5.3 Water Tower Parcel. Based on a water supply study of the Town water system completed by Whitman, Requardt & Associates, LLP and a related report entitled "Final Technical Memorandum No. 2" and dated May 8, 2012, elevated water storage improvements are not necessary for initial phases of the development on the Property, but are anticipated to be required to provide fire protection flows for future phases of development. The specific trigger or timing of and responsibility for construction and costs of such improvements will be evaluated and discussed by SHS and the Town, from time to time, as Development of the Property progresses. SHS shall dedicate to the Town, in fee simple, a parcel of land for construction of an elevated water storage tank, which parcel contains 1.0 acres, more or less, and is depicted by Exhibit K ("Water Tower Parcel"). The Water Tower Parcel is subject to the SHS Options and shall be dedicated to the Town by SHS concurrent with its acquisition of the Property. Such dedication shall include for the benefit of the Town a forty (40) foot wide drainage, utility and access easement that extends across the Property between Hailem School Road and Medical Center Parkway. The Hailem School Road access located at the western terminus of such easement shall be limited to Town utility purposes and may not be used for access to Development on the Property without express approval by the County. The Water Tower Parcel

shall also be subject to a forty (40) foot wide drainage, utility and access easement as depicted by Exhibit K.

5.4 Pump Station/Substation Parcel. SHS shall dedicate to the Town, in fee simple, a parcel of land for construction of a wastewater pump station and an electric mini-substation, which parcel contains 1.253 acres, more or less, and is depicted by Exhibit L (“**Pump Station/Substation Parcel**”). The Pump Station/Substation Parcel is subject to the SHS Options and shall be dedicated to the Town by SHS concurrent with its acquisition of the Property. Such dedication shall include a thirty (30) foot wide drainage and utility easement that authorizes the construction, maintenance and operation of drainage and utility improvements (sewer, water, gas, telephone and electric) in the location depicted by Exhibit L. The Pump Station/Substation Parcel shall be accessed from Hiners Lane. The Hiners Lane access shall be limited to Town utility purposes and may not be used for access to Development on the Property without express approval by the County.

## 6. ROADS AND TRANSPORTATION IMPROVEMENTS

6.1 Transportation Improvements. Except for the New TCCC Entrance, as defined below, if County, State or other public or private entity, as part of a County, State or federally funded project, construct, for the benefit of the public at large, a transportation improvement identified as an obligation of SHS or SHS-Successors pursuant to this Paragraph, SHS and SHS-Successors shall have no further obligation to construct such improvement or reimburse the constructing entity for the improvement cost, unless such reimbursement is required by State or federal law. In the event of a default by SHS or SHS-Successors that is not cured following notice and opportunity to cure in accordance with this Agreement, nothing in this Paragraph shall prevent the County or Town from constructing or causing construction of a transportation improvement identified as an obligation of SHS or SHS-Successors and recovering costs incurred, damages and pursuit of other available legal and equitable remedies.

6.2 On-Site Transportation Improvements. Subject to the limitations in Paragraph 4, SHS or SHS-Successors shall construct, or cause to be constructed, all on-site public and private roadways, roadway extensions and improvements required for the Project. All such improvements will be constructed and maintained in accordance with SHA, Town or County codes and construction standards, as applicable, and as permitted by the Development Approvals. Any private streets or roads on the Property shall conform to the Town’s street lighting requirements applicable to public roads in Town. All streets and roads, whether public or private, shall have signs installed, at SHS’ or SHS-Successors’ expense, that conform to the Manual on Uniform Traffic Control Devices (“**MUTCD**”) in effect at the time of installation.

6.2.1. *Ownership*. Excluding realigned Maryland Route 662, its traffic circle, the road segment between the traffic circle and Route 50 depicted by Exhibit F, which will be owned and maintained by SHA, the streets and roads within the Property will be privately owned and maintained or owned and maintained by the Town, at SHS’ election, except that the Town will not accept any privately owned streets or roads unless and until SHS demonstrates that the improvements have been constructed and maintained in accordance with all applicable Town

standards. SHS and/or SHS-Successor(s) will own each new street and roadway constructed within the Property by it or them until such improvement is dedicated to and accepted by SHA or the Town. Excepting Route 662 and any connection between it and Route 50, the Town shall accept the dedication of any road or street constructed on the Property provided that such road or street is constructed, bonded and dedicated in accordance with applicable Town standards, except that if the road or street is originally constructed with the intention of being private and is later dedicated to the Town, the Town may require such additional testing as it deems appropriate in its discretion to ensure that the road or street is constructed to Town standards and appropriate for acceptance. Such testing shall be at the expense of SHS or the SHS-Successor that is offering the road or street for acceptance. The Town may also require an extended warranty or bond prior to acceptance. The Parties agree that depiction of a public road, street or pathway on a site plan or subdivision plat, and any Town approval of such plans or plats, does not constitute acceptance by the Town or County of an offer to dedicate, but does constitute the creation of an easement for use by the public. Acceptance by the Town will be memorialized in a document signed by Town and SHS or the applicable SHS-Successor(s) and recorded in the Land Records. The County hereby agrees to cooperate with any deannexation by the Town, in the Town's discretion, of the entirety of the Hiners Lane and Hailem School Road right-of-way, including any dedication(s) resulting from Development of the Property.

6.2.2. *Maintenance.* SHS or SHS-Successors shall maintain all on-site transportation right-of-ways and improvements, including streetlights, drainage and stormwater management systems, and street signage, unless and until the same are dedicated to and accepted by the State, Town or County. Any streets or roads that are intended to remain private shall continue to be maintained by SHS in good repair, including adequately maintaining and repairing the surface, subsurface, shoulders, ditches and culverts thereof, and to provide required emergency services and snow removal, in a manner equal to or greater than comparable public roadways in the Town of Easton. SHS hereby grants to the Town a right of access to the improvements. If SHS does not properly repair or maintain any private streets or roads, and fails to correct any deficiencies after being notified by the Town to do so, the Town may perform or have performed the proper maintenance and/or repair, with the costs thereof to be assessed against any property owned by SHS, as a lien collectible in the same manner as ordinary real estate taxes of the Town. If SHS intends to convey title and/or maintenance responsibilities for such private streets or roads to any SHS-Successor or any other person or entity, prior to such conveyance, SHS shall record covenants, in a form acceptable to the Town, that provides, in perpetuity, for the assessment and collection of fees from owners and parties responsible for maintenance of the streets or roads to fund the operation and maintenance of such streets and roads, including adequately maintaining and repairing the surface, subsurface, shoulders, ditches and culverts thereof, and to provide required emergency services and snow removal, in a manner equal to or greater than comparable public roadways in the Town of Easton. At a minimum, the covenants shall provide for regular and/or special assessments for the maintenance of the streets and roads, which such assessments shall not be reduced without the express written consent of the Town. The covenants shall also provide for a right of access to the improvements by the Town and, in the absence of proper maintenance or repair, the ability for the Town to perform or have performed the proper maintenance or repair with the costs thereof to be assessed against the applicable property owners and persons responsible for maintenance, as a lien collectible in the same manner as ordinary real estate taxes of the Town. Any internal campus, way-making or

directory signage located within a public right-of-way shall be authorized by a license or easement and shall be maintained by SHS or SHS-Successors. The provisions of this Paragraph 6.2.2 shall survive termination or expiration of this Agreement.

6.2.3. *Route 662 Improvements; Vacation of Unnecessary Public Roadway.* During its initial phase of construction on the Property, SHS will realign the portion of Maryland Route 662 located on the Property. Although final approval of all improvements proposed for Route 662 is subject to SHA's authority, the Town and County hereby support the modifications and improvements depicted by Exhibit F. Subject to SHS' obligation to construct a new entrance to the Talbot County Community Center ("**New TCCC Entrance**"), SHS shall have no responsibility for any future improvements to or modifications of Route 662 that result from or are required to support development by Third Parties. During the Term hereof, SHS' responsibility, if any, for future improvements to or modifications of any public roads that result from or are required to support Development that is located on the Property shall be subject to the provisions of Section 4.

6.3. Off-Site Transportation Improvements and Medical Center Drive.

6.3.1. *State Highway Improvements.* Prior to occupancy of a hospital constructed on the Property, SHS will construct the following off-site transportation improvements recommended for Phase I (Site Access) as approved by SHA:

- (a) Site access with three outbound lanes (two left turn lanes and a free-flowing right turn lane with an acceleration lane along US 50 approximately 1,200' in length). The three outbound lanes will have a minimum length of 350';
- (b) Two northbound left turn lanes along US 50 approximately 350' in length with a 150' taper;
- (c) Southbound right turn deceleration lane approximately 670' in length;
- (d) Traffic signalization for the site access along US 50. The traffic signal will be equipped with Opticom emergency detection equipment; and
- (e) Such other improvements as may be required by SHA in approved construction plans, specifications, permits or other approvals.

SHS shall construct all such improvements in accordance with SHA approved plans and specifications and in accordance with any permits or approvals issued by SHA for performance of the work.

6.3.2. *County Road Improvements.* Except as provided in Paragraphs 6.3.3 and 6.3.4, and subject to SHS providing the road improvements set forth in 6.3.1(a) through (d), the Parties hereby agree that the Development of: (i) a hospital consisting of 410,000 sq. ft. or less, (ii) medical office building(s) consisting of 100,000 sq. ft. or less, and (iii) ambulatory care facilities consisting of 100,000 sq. ft. or less, or a combination of uses that generate comparable or lower traffic volumes under the County road ordinance, will not require SHS or SHS-Successors to complete any County road improvements or contribute towards the costs of any such improvements other than payment of applicable County impact fees, provided that such Development is not served by a road connection from the Property to Hailem School or other

County Road. Except with respect to the aforementioned Development activities in this Paragraph, no vesting in or protection from generally applicable County road ordinances or regulations is provided by this Agreement. All additional Development of the Property shall be subject to any County road ordinances, regulations and permitting requirements, including fees or improvements required thereby, that are applicable to such Development and legally enforceable.

6.3.3. *Hailem School Road.* Initial phase(s) of Development are not planned to include the construction of road access to Hailem School Road. Unless and until SHS or SHS-Successors provide any improvements required by this Paragraph 6.3.3, access to Hailem School Road from the Property shall be restricted to agricultural access and access to serve only the Water Tower Parcel. Future improvements along Hailem School Road may be required to accommodate Development of the Property. SHS or SHS-Successors shall construct improvements to Hailem School Road that are necessary to mitigate the incremental traffic impact resulting from Development of the Property (considering then existing traffic conditions) and required by generally applicable and legally enforceable County and Town rules, regulations, ordinances and standards at SHS' or SHS-Successors' expense, except to the extent public funding is acquired for such purposes, in accordance with applicable standards and specifications of the County. The Town agrees to use its best efforts to support SHS or SHS-Successors in obtaining, and the County agrees to cooperate with SHS and SHS-Successors in timely completing, all required reviews and permits related to Hailem School Road improvements required by the County and Town to accommodate Development of the Property so long as said reviews and permits are consistent with Development approvals granted by the Town and/or County for the Property. All future access to Hailem School Road shall comply with all generally applicable and legally enforceable provisions of the County road ordinance. Not later than conveyance of Parcel "B" by the County pursuant to the SHS Options, SHS shall dedicate or cause to be dedicated to the County, or the County shall reserve to itself from such conveyance, a fee-simple interest in a strip of land for future road widening, drainage and utility improvements along the full length of the Property frontage on Hailem School Road for a width of fifty (50) feet measured east from the existing road centerline. The foregoing qualification regarding road access to Hailem School Road shall not serve as an absolute limitation on the construction of such access, but makes construction and use of any such access subject to any applicable and legally enforceable County requirements and SHS and SHS-Successors agree to obtain advance County approval of any such access according to such requirements.

6.3.4. *Goldsborough Neck Road Drainage Impacts.* A depressed segment of Goldsborough Neck Road is situated adjacent to the Property and downstream of the main drainage outfalls for the Property. SHS shall design, construct, and maintain stormwater management systems on the Property that are oversized to mitigate the 100-year design storm event to manage stormwater runoff on-site for all phases of Development that eventually flow to Goldsborough Neck Road. Provided the stormwater management systems for all drainage areas of the Property that flow to Goldsborough Neck Road are designed, constructed, and maintained to manage the 100-year design storm event, SHS and SHS-Successors shall have no obligation to elevate, reconstruct or otherwise modify Goldsborough Neck Road to mitigate stormwater impacts. Notwithstanding the foregoing, SHS-Successors may elect not to provide such stormwater management systems subject to the following requirements. In the event SHS or

SHS-Successors elect not to design, construct, and maintain stormwater management systems that are adequate to manage the 100-year design storm event on all portions of the Property that flow to Goldsborough Neck Road, the County may require the owner(s) of the portions of the Property for which such stormwater management systems are not so designed, constructed and/or maintained to elevate, reconstruct or otherwise modify Goldsborough Neck Road to mitigate stormwater impacts resulting from Development of such portion(s) of the Property based on cumulative drainage area conditions existing at the time of Development approval. SHS and SHS-Successors shall prepare or have prepared appropriate hydrological studies by a qualified registered professional Maryland engineer showing the nature and extent of the proposed Development and its effect on existing stormwater facilities or systems and Goldsborough Neck Road. Prior to Development of any portion of the Property that flows to Goldsborough Neck Road, SHS or SHS-Successors shall submit a copy of the stormwater management plans prepared for review by the Town to the County DPW. The County shall promptly and reasonably review such plans to evaluate potential impacts to Goldsborough Neck Road to determine whether such Development will exacerbate the frequency or elevation of flooding of Goldsborough Neck Road during the 100-year design storm or lesser storm events. The applicant shall obtain County approval of such plans or other methods of addressing Goldsborough Neck Road flooding concerns prior to the Development.

6.3.5. *Ownership & Maintenance.* All off-site transportation improvements constructed within a public right-of-way shall be owned and maintained by the public entity that owns the right-of-way after such entity accepts such improvements. SHS or SHS-Successors shall maintain any off-site transportation improvements constructed by SHS or SHS-Successors until the same are accepted by the appropriate public entity.

6.3.6. *New Regional Medical Center Entrance and Route 50 Frontage.* Subject to the conditions precedent set forth in Paragraph 6.3.7, the County shall transfer to SHS that part, parcel, or portion of land located at 10028 Ocean Gateway, Easton, Maryland, Tax Map 0017, Parcel 0038 identified as “Medical Center Drive, (Commercial Local Street), SRC Plat 59033” and “Land to be Donated to the State Highway Administration, 3.968 acres±” by the Initial Plat, for construction of the new Regional Medical Center entrance (“**New RMC Entrance**”) and deceleration lanes for US Route 50. The land to be conveyed by the County for the New RMC Entrance is also identified on the State of Maryland Department of Transportation, State Highway Administration, State Roads Commission Plat Number 59033, dated June 29, 2012, which is incorporated by reference herein.

6.3.7. *New Community Center Entrance.* The County shall have no obligation to transfer or convey to SHS any interest in or to any part, parcel, or portion of land to be used for the New RMC Entrance, until the following conditions precedent have occurred to the County’s reasonable satisfaction:

(a) SHS, at its sole cost and expense, shall obtain all required permits for and construct a new entrance to the Talbot County Community Center (“**New TCCC Entrance**”) in accordance with plans paid for by SHS, reviewed and accepted by the County, and prepared by Daft McCune Walker, Inc. entitled, “ENTRANCE RELOCATION PLAN FOR TALBOT COUNTY COMMUNITY CENTER”, dated October 10, 2012, last revised October 15, 2012, which plans are

incorporated by reference herein (collectively, the “**TCCC Plans**”). The TCCC Plans have been accepted in concept by the County prior to execution of this Agreement. In addition to the TCCC Plans and any specifications referred to or incorporated therein, SHS shall prepare separate specifications (“**TCCC Specifications**”) for construction of the New TCCC Entrance, which shall be submitted to the County within one hundred twenty (120) days prior to commencement of construction of the New TCCC Entrance, and the County shall respond to such submittal within thirty (30) days thereafter, by accepting the TCCC Specifications or identifying with particularity the County’s concerns or objections thereto. As a condition of the license granted by the County to SHS pursuant to sub-paragraph 6.3.7(c) below, final TCCC Plans and TCCC Specifications shall have been accepted by the County not later than thirty (30) days prior to commencement of construction of the New TCCC Entrance.

SHS’s obligation shall include all costs of any kind, nature, or description, including design, engineering, permitting, bonding, insurance, site-work, construction, landscaping, construction management, administration, inspection, changes, change orders, unknown conditions, and contingencies. It shall also include a warranty for the use and benefit of the County, in form and content acceptable to the County, for a period of one year following the County’s acceptance and commencement of general public use of the New TCCC Entrance, and a separate warranty guaranteeing survival of all landscaping for two complete calendar years commencing upon completion of all required landscaping.

(b) SHS shall be solely responsible for construction and completion of the work in accordance with the Construction Documents (defined below) as approved by the County and Town. The County shall have the right to review and approve, in its reasonable discretion, all final designs, plans, drawings, specifications, bid documents, contracts, subcontracts, changes, phasing, schedules, change orders, inspection reports (collectively, the “**Construction Documents**”) for the New TCCC Entrance, which Construction Documents shall be consistent with the TCCC Plans, which have been approved and accepted by the County. Construction of the New TCCC Entrance shall also comply with all applicable Town Codes, standards, specifications and other requirements. The County shall be authorized to retain qualified construction inspectors, firms, or agencies to review, monitor, inspect, and approve or disapprove the Construction Documents and the work performed by SHS or its agents, contractors, or subcontractors on the New TCCC Entrance and water and sewer infrastructure extending from Rt. 662 to the Community Center to the extent SHS is providing the same to accommodate water and sewer service to the Community Center. The County’s actual inspection costs shall be reimbursed by SHS at a cost not to exceed \$500 per work day from commencement of the New TCCC Entrance through Completion thereof, and the County agrees to cooperate with SHS, including reasonable consideration of engaging inspectors otherwise working on the Property, to minimize inspection costs while still providing the County with assurances that the New TCCC Entrance is constructed in accordance with this Agreement and all applicable construction standards otherwise required by law.

SHS’ bid documents shall include construction of water and sewer infrastructure to extend the Property Water Facilities and Property Wastewater Facilities to the vicinity of the Community Center in accordance with Paragraph 7.6.

(c) The County and SHS shall jointly identify and designate the portions of lands owned by the County that must be accessed or disturbed by SHS or its Representatives (defined below) in connection with the construction of the New TCCC Entrance (“**License Area**”). At a minimum, the License Area shall include all lands located within the Limit of Disturbance or “LOD” designated by the erosion control plans of the TCCC Plans. In consideration of SHS’ agreement to construct the New TCCC Entrance, the County hereby grants to SHS a license (“**License**”): (1) to enter upon and use the License Area in connection with the construction of the New TCCC Entrance; (ii) to construct the New TCCC Entrance in accordance with this Agreement upon the License Area; and (iii) to use existing roadways, driveways and pedestrian ways located on the Talbot County Community Center property for vehicular and pedestrian ingress and egress to and from the License Area. SHS and its construction managers, consultants, architects, engineers, contractors and subcontractors retained in connection with the New TCCC Entrance (collectively, “**Representatives**”) shall be permitted to use this License.

At all times during the term of the License, SHS shall, at its own cost and expense, be responsible for the actions and personal property of SHS and its Representatives on the License Area. Prior to Completion of the New TCCC Entrance, SHS shall repair any damage to the improvements, personal property, grounds, and facilities upon the Talbot County Community Center property caused by SHS’ or its Representatives’ use of the License Area, including grading or regarding and establishment or reestablishment of all lawn and landscaping. Prior to termination of the License, SHS shall promptly remove any and all temporary structures, facilities and improvements, including, without limitation, all tools, materials and equipment used or stored and any trash or debris remaining on the License Area and restore all disturbed areas to their former condition or as shown on the TCCC Plans. The License shall terminate upon Completion of all activities depicted by the TCCC Plans, including the County’s written approval and acceptance of New TCCC Entrance and County approval of the demolition and stabilization of the existing TCCC access to Route 50.

SHS shall not use or permit uses upon the License Area that unreasonably interfere with access to or operation of the Talbot County Community Center. The County and SHS shall cooperate to effect the construction of the New TCCC Entrance in a manner that provides vehicular access to the northern and southern Talbot County Community Center entrance doors at all times. Consistent with the TCCC Plans sequence of construction, the existing TCCC access to Route 50 shall not be obstructed or demolished before the New TCCC Entrance is complete, accepted by the County, and open for public use. SHS shall advise the County of construction schedule changes for the New TCCC Entrance and shall adhere to the construction schedule in the Construction Documents unless changed by the County, which consent shall not be unreasonably withheld. County shall be responsible for communications with the public regarding access and circulation pattern changes during construction. The intent of SHS and County is to cooperate in order to prevent unreasonable impairment of the use, operation, occupancy or enjoyment of, or ingress to or egress from the Talbot County Community Center, while recognizing that construction of the New TCCC Entrance and closure of the existing Route 50 access may cause temporary but unavoidable adverse impacts upon the Talbot County Community Center which the parties shall seek to minimize and mitigate through construction management and public communication.

(d) Upon Completion by SHS of the New TCCC Entrance in accordance with the TCCC Plans and TCCC Specifications and applicable Town codes, standards, and design criteria and acceptance by the County, the County shall advertise the proposed disposition of land set forth in Paragraph 6.3.6 to be transferred to SHS for the New RMC Entrance in accordance with the requirements of Article 25A § 5B, Md. Ann. Code, and, upon finding that the parts, parcels, or portions of land are no longer needed for public use for access to the Community Center or as part of the Community Center property, County shall transfer and convey such parts, parcels, or portions of land to SHS.

(e) Not later than the conveyance provided for in subparagraph (d) above, the County shall also establish a license over portions of the County's remaining property, including Rt. 50 frontage of the Hog Neck Golf Course, for access and temporary disturbance by SHS, its contractors, agents and representatives as necessary to facilitate construction of the New RMC Entrance and related improvements to Route 50, including acceleration and deceleration lanes and drainage and stormwater improvements. Such license shall be established pursuant to the same procedure and subject to terms comparable to those described in subparagraph (c) for the New TCCC Entrance.

## 7. PUBLIC UTILITIES

7.1 Public Utility Improvements – Generally. Except as otherwise agreed herein or in any other agreement, SHS or SHS-Successors will construct or cause to be constructed on the Property such lighting, gas, cable, electric and public water and sanitary sewer utility extensions as necessary to meet the utility service requirements of Development of the Property. Such utility improvements and extensions will be located, designed, constructed, maintained, operated and owned pursuant to standards and specifications of the Town and/or the applicable utility provider and in accordance with this Agreement. Notwithstanding any provision herein, all utility improvements and extensions shall be subject to the applicable tariff(s) in effect at the time service is extended.

7.2 Off-Site Water and Wastewater System Extension and Capacity Improvements. The Property and the Community Center are not currently served by Town water or wastewater systems. Extension of and improvements to both systems are required to Develop the Property and to serve the Community Center. This Agreement is intended to define the parties' rights and obligations and the structure within which design decisions, the allocation of capacities, and responsibilities for construction and costs will be addressed and/or implemented in the future.

7.2.1 *Water System.* The Town water system shall be extended to serve the Property, the Community Center, and such other areas, if any, as determined pursuant to Paragraph 7.3 (“**Water System Extension**”). All components of the Water System Extension shall be sized to accommodate the flows and capacities reserved under Paragraph 7.3. The Water System Extension shall include the following:

(i) 12” water mains that extend to the southwestern and southeastern areas of the Property (in the locations designated by Exhibits O and P as the limits of 12” water lines constructed by SHS or the “Property Water Facilities” as defined below) from existing Town

water mains generally located in the vicinity of Easton Utilities' Goldsborough Sewage Pump Station and the intersection of Airport Road and Route 662, respectively;

(ii) all other components, improvements, equipment and appurtenances as required by applicable Town standards and MDE design criteria; and

(iii) additional components, improvements, equipment and appurtenances not required by Town standards but requested by any Party pursuant to Paragraph 7.4, subject to the provisions of Paragraphs 7.4 and 7.7 regarding cost responsibilities.

The anticipated alignment of the off-site Water System Extension and the specific locations of the northern termini of the Water System Extension, which are the connection points between the Water System Extension and the Property Water Facilities (defined below) are depicted and described by the plans attached as Exhibits M-P.

*7.2.2 Wastewater System.* The Town sewer system shall be extended to serve the Property, the Community Center, and such other areas as determined pursuant to Paragraphs 7.3 and 7.4, if any ("**Wastewater System Extension**"). All components of the Wastewater System Extension shall be sized to accommodate the flows and capacities reserved under Paragraph 7.3. The Wastewater System Extension shall include the following:

(i) a pump station sized, designed and located to accommodate flows from the entire Property and the Community Center property via gravity flow considering existing topography and all other flows provided for under this Agreement. The pumps and electrical components shall be covered by manufacturers' warranties or extended warranties that extend until one-year after issuance by the Town of the first certificate of occupancy for a hospital constructed on the Property;

(ii) connection of the Property Wastewater Facilities (defined below) at the southern property line of the Pump Station/Substation Parcel to the wet well of the pump station;

(iii) a 12" forcemain extending from the Pump Station to the Town's existing collection system, as depicted by plans approved by the County, Town, and MDE to accommodate the flows determined under this Agreement;

(iv) all other components, improvements, equipment and appurtenances as required by applicable Town standards and MDE design criteria as depicted by plans approved by the County, Town and MDE, such as pump station monitoring, control and backup power generation systems; and

(v) additional components, improvements, equipment and appurtenances requested by any Party pursuant to Paragraph 7.4 but not required by Town standards, subject to the provisions of Paragraphs 7.4 and 7.7 regarding cost responsibility.

The anticipated on-site and off-site alignment of the Wastewater System Extension are depicted and described by the plans attached as Exhibits M-O.

*7.3 Allocation and Reservation of Capacity.* The Water System Extension and Wastewater System Extension (collectively, the "**Extensions**") shall be sized to accommodate the flows specified by and determined pursuant to this Paragraph 7.3. In light of the significant capital investment incurred by the parties in sizing, designing and constructing the Water System Extension and Wastewater System Extension to accommodate projected increasing flows during the long-term Development of the Property and Community Center Property, the Town shall be

obligated to accept the flows and flow capacity within such Extensions is hereby reserved by and allocated to County and SHS as specified in Paragraphs 7.3.1 and 7.3.3, respectively (“**Extension Flow Reservations**”). SHS may assign portions of the Extension Flow Reservations to any SHS-Successor in SHS’ sole discretion. The Extension Flow Reservations provided for herein shall not constitute or result in any reservation of capacity in the Town’s existing water or wastewater systems. Allocation and reservations of such production or treatment capacities shall remain subject to applicable tariff(s), fees and charges in effect at the time of payment for such system capacity, unless otherwise waived by the Town. Nevertheless, the Town agrees that rights to produce and direct the flows specified in this Paragraph 7.3 through the Extensions shall be reserved to and available only for use by County, SHS and/or their assigns. SHS, SHS-Successors and County shall not be responsible for any incremental improvements or expansions that exceed the flow capacities constructed and reserved pursuant to Paragraphs 7.3.1 or 7.3.3, if any. The Town shall not be responsible for enforcing any internal agreements between the owners of the Property regarding allocation of capacity within the Extensions.

#### 7.3.1 *County.*

7.3.1.1 Hospital. Contingent on SHS committing in writing to construct an acute care hospital with at least 100 beds, the Extensions shall include 81,800 gpd of capacity to serve the Property.

7.3.1.2 Community Center. The Extensions shall include 12,500 gpd of capacity to serve the Community Center, including any anticipated expansion thereof.

#### 7.3.2 *Town.*

7.3.2.1 North Easton Service Area and Reserve Capacity. Any capacity contained within the Extensions other than that required and reserved by the County (Paragraph 7.3.1) or SHS (Paragraph 7.3.3) shall be available for future use and allocation by the Town, subject to the provisions requiring reimbursement in accordance with Paragraph 7.7.4.

7.3.3 *SHS*. Development of the Property (Excluding the Hospital). The Extensions shall include 122,900 gpd of capacity to serve the future Development of the Property exclusive of and in addition to the capacity provided by the County for SHS’ use pursuant to Paragraph 7.3.1.1.

7.4 Design & Construction Responsibilities, Coordination and Timeframes. The Parties shall cooperate in connection with the design of all utility infrastructure for their mutual benefit. When and as available, SHS shall circulate to Town and County plans and/or exhibits that confirm the locations and inverts of the various connection points between the pipe and conduit systems to be constructed by SHS and those to be constructed by Town or County. All Parties shall construct such utility system components in accordance with approved plans. The County shall be responsible for extending all utility lines from the Pump Station to the southern boundary of the Pump Station/Substation Parcel. Notwithstanding the foregoing, the second or later Party to extend or construct its portion of a utility system component to a point of

connection shall be responsible for verifying the precise location of the system component to which it must connect and for making and testing such connection in accordance with applicable standards and requirements and sound engineering and construction practices.

SHS, SHS-Successors and Town shall cooperate with the County, at no expense to SHS, SHS-Successors or Town, in connection with all grant or loan applications for public funding for water and sewer infrastructure. SHS, SHS-Successors and Town shall have no liability for repayment of any grants or loans undertaken by the County.

The County shall complete its bid and procurement procedures for the Extensions on such timing as required to satisfy its obligations hereunder. The County's obligation to construct the Extensions shall be triggered upon the occurrence of all of the following (the date of which shall be the "Trigger Date"): (i) SHS' acquisition of the Property, (ii) issuance of a final decision approving the Certificate of Need authorizing construction of a hospital containing at least 100 licensed beds on the Property, and (iii) issuance by the Town of the first grading, foundation, building or other permit authorizing work associated with construction of such hospital. The eastern components of the Water System Extension shall be complete and available for connection to the Property Water Facilities and operation thereof on or before three (3) months after the Trigger Date. The western components of the Water System Extension shall be complete and available for connection to the Property Water Facilities (as depicted by Exhibit P) and operation thereof on or before fifteen (15) months after the Trigger Date. The Wastewater System Extension shall be complete and available for connection to the Property Wastewater Facilities and operation thereof on or before fifteen (15) months after the Trigger Date.

The Initial Electric System Extension (defined below) shall be complete and available for service to the Property on or before four (4) months after the Trigger Date, provided that SHS files a complete and approved application for electric service with Easton Utilities and pays all fees and/or contributions in accordance with the applicable tariff by two (2) months prior to the Trigger Date and provided that all easements necessary to provide the Initial Electric System Extension are provided to Easton Utilities by the Trigger Date. The Gas System Extension (defined below) shall be complete and available for service and connection to the Property Gas Facilities (defined below) on or before sixteen (16) months after the Trigger Date provided that SHS files a complete and approved application for gas service with Easton Utilities and pays all fees and/or contributions in accordance with the applicable tariff by the Trigger Date. The Permanent Electric System Extension (defined below) shall be complete and available for service to the Property on or before fourteen (14) months after the Trigger Date provided that SHS files a complete and approved application for electric service with Easton Utilities and pays all fees and/or contributions in accordance with the applicable tariff by the Trigger Date. Upon completion of each such improvement and satisfactory inspection by Town, such improvements shall be dedicated or conveyed to Town and shall thereafter be owned, operated and maintained by Town. The foregoing deadlines for provision of electric or gas services by Easton Utilities shall be extended on a day-for-day basis for each day that the respective application(s) for service are delivered or are not complete after the aforementioned submittal deadlines.

7.4.1 *Design and Right-of-Way Responsibility.* County retained Easton Utilities to design the pump station and Extensions to the southern Property lines, and Easton Utilities provided 90% drawings to the County in April 2010, and final construction plans to the County in February, 2011. Except as provided in the following paragraph, County has fulfilled its design responsibilities for the Extensions. County shall be responsible for the permitting of the Extensions, except for specific components of the Extensions requested by another Party under Paragraphs 7.2.1(iii) or 7.2.2(v), which specific components shall be designed, permitted, and funded by the Party requesting the same. The County shall also be responsible for identifying, surveying and obtaining all right-of-ways necessary for construction of the Extensions from the boundaries of the Property to the appropriate connection points within the existing Town utility systems, which right-of-ways or easements shall be conveyed to the Town by instrument(s) recorded among the Land Records of Talbot County within three months following the Effective Date. All off-site right-of-ways required for the Extensions shall be obtained and/or confirmed by the County in sufficient time to permit the County to satisfy the deadlines set forth in Paragraph 7.4, and shall be for the benefit of the Town. If County is unable to obtain off-site easements and rights-of-way as may be necessary, the Town shall assist the County in accordance with Paragraph 9.1.

The County shall apply for all construction permits and approvals from MDE and such other agencies as may be required for construction of the Extensions in a manner and on such timing as necessary to satisfy its obligations hereunder.

7.4.2 *Design Coordination Timeframe.* All requests hereunder for capacity reservation or specific system components or modifications have been communicated to the Party responsible for such design.

7.4.3 *Construction Responsibility.* County shall construct the Extensions in accordance with plans approved by SHS, Town and County. Between SHS and the County, the last Party to construct their portion of the water system infrastructure in the vicinity of the connection points between the Property Water Facilities and the Water System Extension shall be responsible for connecting and testing the connection of these two segments of the water system. County shall be responsible for connection of the Property Wastewater Facilities (defined below) to the pump station provided that SHS has terminated the Property Wastewater Facilities on the Pump Station Parcel prior to construction of the pump station wet well. County shall construct the improvements required by Paragraph 7.6 in accordance with plans approved by County, Town and SHS. Notwithstanding the foregoing, if SHS constructs the new alignment of Route 662 prior to the County's construction of the Extensions, SHS shall install sleeve(s) under the new road to accommodate road crossing(s) of the Extensions. SHS shall construct the improvements required by Paragraph 7.5 in accordance with plans approved by Town. Division of responsibilities for construction of gas and electric system improvements are addressed in Paragraphs 7.4, 7.11, 7.12 and 7.13, respectively.

7.4.4 *Cooperation by Town and County to Facilitate Timely Completion.* Each Party hereto shall support the other Parties and promptly respond to requests for information, coordination, interpretation of codes or standards or other requests for assistance to facilitate the timely and efficient coordination and construction of utilities for the Property.

7.5 Property Water Distribution and Wastewater Collection Improvements. SHS or SHS-Successors shall construct water distribution facilities within the Property and extending from the Water System Extension as necessary for Development of the Property in accordance with construction plans approved by Town, the general location of initial phases of which is depicted by Exhibit M. Such improvements shall consist of a system of pipes, water mains, laterals, service lines, hydrants, feeders, regulators, fixtures, connections and attachments, meters and such other appurtenances necessary or proper for the purposes of distributing or supplying water for domestic, commercial and fire protection purposes and for any other purposes (excluding, at SHS' election, irrigation) for which water may be used by or on the Property (collectively, the "**Property Water Facilities**"). The Property Water Facilities include, without limitation, a 16" water line stubbed to and terminated with a valve at the southern boundary of the 40' drainage, utility and access easement located on the Water Tower Parcel, as generally depicted by Exhibits K and P.

SHS or SHS-Successors shall construct the wastewater collection systems and facilities within the Property as necessary to convey wastewater flows from Development of the Property by gravity to the Pump Station/Substation Parcel in accordance with construction plans approved by the Town, the general location of initial phases of which is depicted by Exhibit M. Such improvements shall consist of a system of pipes, wastewater mains, laterals, manholes, connections and attachments and such other appurtenances necessary or proper for the purposes of collecting and transporting wastewater generated within the Property to the Pump Station/Substation Parcel (collectively, the "**Property Wastewater Facilities**"). SHS shall design and construct the Property Wastewater Facilities to be capable of conveying wastewater flows from the Community Center property to the Pump Station/Substation Parcel by gravity at a volume not to exceed that reserved in Paragraph 7.3.1.2. The depth of the Property Wastewater Facilities shall be limited to that necessary to provide gravity service to the Property and the Community Center as depicted by Exhibit M, the invert elevation for future connection to MH9 shall be 48.3±.

7.6 Community Center Water and Wastewater Improvements. County shall construct all water improvements required to connect the Community Center to the Property Water Facilities in accordance with construction plans approved by the Town. Such improvements shall include an 8" water line and a system of water pipes, mains, laterals, hydrants, regulators, fixtures, connections and attachments, meters and such other appurtenances necessary or proper for the purposes of supplying water for domestic, commercial and fire protection purposes for the Community Center at a volume not to exceed that reserved pursuant to Paragraph 7.3.1.2.

SHS is responsible for the cost of constructing an 8" water line stub, terminated with a valve, onto the TCCC Expansion Parcel as depicted by Exhibit M. SHS is also responsible for the cost of constructing and capping an 8" gravity sewer line onto the TCCC Expansion Parcel as depicted by Exhibit M. In addition to the foregoing, SHS will extend water and sewer lines across the TCCC Expansion Parcel in conjunction with its construction activities for the New TCCC Entrance. Such extensions shall terminate at locations approved by SHS and County. These extensions will be priced as an option by SHS' contractor and the costs of extending these lines beyond the stubs depicted on Exhibit M shall be credited against SHS' obligations to County under Paragraph 7.7.3. The County shall be responsible for connection of the

Community Center to the water and sewer lines constructed by SHS. Upon connection to the Town sewer system, the County shall be responsible for abandonment of the existing septic system. Subject to Health Department approval, the Community Center may elect to continue to use the existing well servicing the Community Center and the well and septic system servicing the County's existing concession stand, without any requirement to connect to the Town water and wastewater systems.

#### 7.7 Cost Allocation and Responsibility.

7.7.1 *County.* County previously paid for the initial design of the Extensions. Subject to the defined contribution by SHS for the cost of consolidating the DMW design of the forcemain with plans previously prepared for the County, County shall be responsible for the cost of design and right-of-way evaluation and acquisition in accordance with Paragraph 7.4.1. County shall be responsible for the cost of constructing Extensions sized only to provide the capacity reserved under Paragraph 7.3.1 ("**Primary Extensions Cost**"), which shall be determined in accordance with Paragraph 7.7.6. County shall also be responsible for the costs of design and construction of any component(s) of the Extensions requested by County under Paragraphs 7.2.1(iii) or 7.2.2(v). County shall also be responsible for the costs of design, connection to the water and sewer stubs constructed by SHS, and construction of the improvements described by Paragraph 7.6.

7.7.2 *Town.* Town shall be responsible for the cost of design and construction of any component(s) of the Extensions requested by Town under Paragraphs 7.2.1(iii) or 7.2.2(v). In addition, to the extent that the Town requires certain components of the Extensions to be designed, located, oversized or constructed in a manner to facilitate or accommodate future expansion, the Town shall be responsible only for the increased costs of materials associated with such requirement(s).

7.7.3 *SHS.* SHS shall be responsible for the actual incremental cost of increasing the flow capacity of the Extensions beyond the flow capacity reserved under Paragraph 7.3.1 to include the flow capacity reserved under Paragraph 7.3.3 ("**Incremental Extensions Cost**"). SHS shall also be responsible for the costs of design and construction of any component(s) of the Extensions requested by SHS under Paragraphs 7.2.1(iii) or 7.2.2(v). SHS shall also be responsible for the costs of design and construction of the improvements described by Paragraph 7.5.

7.7.4 *Third Parties.* In the event the Extensions include additional capacity under Paragraphs 7.3.1, 7.3.2.1 or 7.3.3 or if the Extensions serve parcels lying outside the Property and the Community Center through use of any portion of the infrastructure paid for by County, the County shall be entitled to reimbursement from the owner of such other parcel(s) served by this infrastructure for a pro-rata portion of the costs County incurred to extend water and sewer infrastructure, whether from the general fund, loans, or any combination of funding sources, excluding grants. The Town and County agree to cooperate and negotiate in good faith to evaluate the legal authority, formula, and administrative processes for such reimbursement.

7.7.5 *Future Water Tower.* Based on a water supply study of the Town water system completed by Whitman, Requardt & Associates, LLP and a related report entitled “Final Technical Memorandum No. 2” and dated May 8, 2012, the Town agreed not to require additional water storage to meet the projected water demands and fire flow requirements for initial phases of construction on the Property. The timing and allocation of responsibility for the construction and cost of any future water tower on the Property shall be discussed and resolved between the Town, SHS and SHS-Successors in the future.

7.7.6 *Determination of Primary Extensions Costs and Incremental Extensions Costs Between SHS and County.* The Primary Extensions Costs and Incremental Extensions Costs shall be determined by the County’s bid process associated with construction of the Extensions. The County shall include in its bid requests alternative specifications reasonably acceptable to County and SHS that require bidders to price the Wastewater System Extension with two substitutions: (1) changing the pipe size to construct an 8” diameter forcemain instead of a 12” diameter forcemain, and (2) installation of pump(s) sized to accommodate only the flows required by Paragraph 7.3.1, rather than installation of pump(s) sized to accommodate flows required by Paragraphs 7.3.1 and 7.3.3. Except for the forcemain pipe diameter and pump capacity, all other aspects and components of the Wastewater System Extension shall remain the same. The Primary Extensions Costs shall be equal to the cost of the Water System Extension plus the bid price submitted by the contractor selected by the County for the Wastewater System Extension with the two aforementioned substitutions. The Incremental Extensions Costs shall be equal to the actual bid price accepted by the County for the Wastewater System Extension less the alternative bid price provided by the same contractor for the Wastewater System Extension with the two aforementioned substitutions.

7.8 Irrigation Well(s). Town and County agree that, subject to applicable State laws and permitting requirements, SHS and SHS-Successors may design, permit, drill, construct, operate and maintain all well(s) required to serve the irrigation water demands of the Property pursuant to applicable rules, regulations, and permits. The location and timing of drilling or construction and the manner, extent and frequency of use of such well(s) shall be at the discretion of SHS and SHS-Successors subject to applicable permits. No such well(s) or any system connected thereto may be connected to the Town water system or any facility connected to the Town water system.

7.9 Prior Approval by Town. Before the commencement of construction of public Water Facilities or Wastewater Facilities for the Property, the Party responsible for construction shall submit plans and specifications thereof to the Town and obtain the Town’s written approval of such plans and specifications (with respect to the Water and Wastewater System Extension, County’s and SHS’ obligations to prepare and compile such plans and specifications are addressed by Paragraph 7.4.1).

7.10 Dedication to Town. The Water Facilities, Wastewater Facilities, all duct banks described by Paragraph 7.12 (subject to certain express reservations), Gas System Extension (defined below), and all easements necessary to provide utility service to the Property by the Town shall be conveyed to and accepted by Town upon completion of construction of such

facility(s), in accordance with the policies and procedures typically applicable to such dedications.

7.11 Gas System Extension. Pursuant to Paragraph 7.4, the Town shall construct a 6-inch H.P. 60 PSI gas main from the gate station on Dover Road to a point immediately west of Maryland Route 662 at the southernmost corner of the Property, which location is generally depicted by Exhibits M and Q (“**Gas System Extension**”). SHS shall be responsible for engaging a qualified contractor as per Easton Utilities requirements to extend the 6-inch gas main under and then along the east side of relocated Route 662 as generally depicted by Exhibits M and Q. SHS shall provide connections to the new hospital central energy plant and valve “T”s for future buildings. SHS shall also construct a 2-inch feed to the southern boundary of the Pump Station/Substation Parcel. The County shall be responsible for connection of the pump station’s emergency generator to the 2-inch line installed and capped by SHS at the Pump Station/Substation Parcel boundary. The Town shall provide interruptible gas service to the Property in accordance with the applicable tariff and under the terms of a “special contract” to be negotiated between SHS and Town and subject to approval by the Public Service Commission.

7.12 Property Duct Bank. SHS shall construct duct banks on the Property for use by the Town, SHS and others as generally depicted by Exhibits M, O, and Q. The duct bank extending along the west side of the entire length of relocated Route 662 shall consist of twelve (12) 6” conduits, all of which shall be available for use by Town for electric, fiber optic and broadband TV cable, and shall include manholes every 1,000 feet. SHS shall construct a duct bank from Route 662 to the southern boundary of the Pump Station/Substation Parcel consisting of three (3) 6” conduits and two (2) 4” conduits. Town and/or County shall be responsible for extending this duct bank across the Pump Station/Substation Parcel to the substation and pump station, as agreed by Town and County. SHS shall construct an additional duct bank consisting of seven (7) 4” conduits, four (4) of which will be made available to Verizon while the remaining three (3) will remain available for use by SHS or its assigns or designees for future needs. Unless otherwise agreed by SHS and Town, SHS shall construct an additional duct bank consisting of six (6) 6” conduits, which shall extend along the northern boundary of the Property from Hailem School Road to the central energy plant as generally depicted by Exhibits M and Q. All duct banks shall be protected by concrete backfill at road crossings in accordance with applicable Town standards. The foregoing duct banks will be dedicated to Town, subject to SHS’ right to use of the three ducts reserved for SHS or its assigns and four ducts reserved for Verizon.

7.13 Electric Service and System Extension. Town shall provide temporary electric service (1000A, 480V, 3 Phase) to within one-hundred (100) feet of the proposed central energy plant (“**Initial Electric System Extension**”). SHS shall notify the Town of the location of the terminus for such temporary electric service at least four (4) months prior to the completion deadline for the Initial Electric System Extension as provided by Section 7.4.

Town shall extend primary 25 KV electric service to the Property from its existing Substation #2 through an underground duct bank system, with the costs thereof to be assessed in accordance with applicable tariffs and Paragraph 7.4. All off-site duct construction shall be constructed by the Town. Within the Property, the Town shall provide and install the electrical cable and

system components within the duct system installed by SHS pursuant to Paragraph 7.12. The duct bank located on the Property shall be complete and accepted by Town at least five (5) months prior to the Town's deadline for completion of the Permanent Electric Service as provided by Section 7.4. The Town's deadline for completion of Permanent Electric System Extension shall be extended on a day-for-day basis for each day that SHS' completion of the duct bank required for such extension is delayed. Town shall relocate the existing 8.3 KV electrical system located adjacent to Route 662 upon SHS' completion and acceptance by Town of the duct bank components required for such work and shall complete such relocation within 90 days of completion of the duct bank. SHS' contribution to Easton Utilities towards the cost of relocating the 8.3 KV components, if any, shall be determined in accordance with the applicable tariff and generally applicable policies of the Town. Additionally, in accordance with Paragraph 7.4, Town shall extend a redundant 25KV service line from its existing Substation # 3 overhead to the northern Property corner at Hailem School Road and shall provide and install the electrical cable and system components from Hailem School Road to the central energy plant with the costs thereof to be assessed in accordance with applicable tariffs and Paragraph 7.4. This service is large and requires a special investment for delivery of service and will require a special contract. Extensions of the primary and redundant 25KV electric lines to the central energy plant are collectively referred to as the **"Permanent Electric System Extension"**.

## **8. STORMWATER MANAGEMENT & DRAINAGE**

8.1 General. SHS or SHS-Successors shall construct and maintain all storm sewers, culverts and related drainage and stormwater management structures (at-grade and underground) required for Development of the Project.

8.2 Maintenance and Ownership. All drainage and stormwater management facilities shall be owned, operated and maintained by SHS or SHS-Successors. SHS shall record covenants in a form acceptable to the Town and County that provide, in perpetuity, for the assessment and collection of fees from owner(s) of the Property to fund the operation and maintenance of such facilities in accordance with applicable laws. At a minimum the covenants shall provide for regular and/or special assessments for the maintenance of the drainage and stormwater management facilities, which such assessments shall not be reduced without the express written consent of the Town and the County, as to any stormwater management facilities that flow to Goldsborough Neck Road. The drainage and stormwater management covenants shall also provide for a right of access to the improvements by the Town (and County to the extent discharges from any such stormwater management facilities flow to Goldsborough Neck Road), and, in the absence of proper maintenance or repair, the ability for the Town (or the County, to the extent discharges from any such stormwater management facilities flow to Goldsborough Neck Road), to perform or have performed the proper maintenance or repair with the costs thereof to be assessed against the applicable lots as a lien collectible in the same manner as ordinary real estate taxes of the Town or County. The covenants established under this Paragraph 8.2 shall survive termination or expiration of this Agreement.

## 9. MISCELLANEOUS AGREEMENTS

9.1 Easements. SHS (for itself and SHS-Successors), County and Town agree to grant to each other upon request and at no cost rights-of-way or easements over their respective properties in the event that such rights-of-way or easements shall be necessary for the installation, maintenance, replacement and/or removal of infrastructure related to the Development of the Property, including without limitation, roads, sidewalks, utility lines, and drainage improvements, provided the use of such easements will not interfere with the owner's use and enjoyment of the subject property, and except that the Town does not agree to grant easements over its property for competing utilities or services. If SHS or the County is unable to obtain off-site easements and rights-of-way as may be necessary for extension of utilities to serve Section One of the Property, the Town agrees to assist such Party in obtaining such easements and rights-of-way. If necessary, to the extent the Town has the legal authority, the Town agrees to institute and process condemnation proceedings to acquire such easements and rights-of-way, the costs of which shall be paid by the County if required pursuant to Paragraph 7.7.1 or otherwise by SHS.

## 10. ADMINISTRATION OF PERFORMANCE; SUBSEQUENT DEVELOPMENT APPROVALS

10.1 Third-Party Processing. All parties recognize that the Town has not previously reviewed construction plans for a new hospital, which is expected to be a large building with extensive and complex systems. The Town acknowledges that the timely and consistent review and issuance of permits, resolution of code interpretations and inspection of construction are critical to cost- and time-efficient Development of the Property. With respect to construction, modification and/or expansion of a hospital on the Property, the Town may utilize private engineers and inspectors selected by the Town (or hire additional Town staff) and any other reasonably available means to expedite the processing of hospital-related applications, permits and occupancy certificates, including, if appropriate, concurrent processing of such applications by various Town departments and/or consultants. The Town may use consultants or Town employees in its discretion, however, such expenses shall be reimbursed by SHS or a SHS-Successor with respect to the portion of the Property for which such processing applies only if the Town and SHS or such SHS-Successor executes one or more advance written agreement(s) regarding the scope and cost of such processing.

10.2 Processing During Third Party Litigation. The filing of any Third Party lawsuit(s) against the Town, County, SHS, and/or any SHS-Successor relating to this Agreement or to other Development Approvals or State or federal permits, approvals, Certificate(s) of Need, or other Development issues affecting all or any portion of the Property, or the filing of any petition for judicial review or any administrative or judicial appeal regarding any such matter (collectively, "Appeal") shall not hinder, delay or stop the Development, processing or construction of the Project, approval of the Subsequent Development Approvals, or issuance of ministerial permits or approvals, unless: (i) the Third Party obtains a court order preventing the activity, or (ii) the Town or County is stayed from taking action in furtherance of an application by operation of statute. If SHS or any SHS-Successor elects to proceed with Development during the pendency of an Appeal, it does so at its own risk and SHS or such SHS-Successor shall indemnify the

Town and County with respect to claims, losses, or expense of the Town or County incurred in reliance upon and directly related to such election to proceed with Development during the pendency of the Appeal. If the County reacquires the Property pursuant to the rights referenced by Paragraph 2.3 and the Town or County elects to remove any infrastructure installed during an Appeal, such indemnification obligation shall include reimbursement of the Town or County for the cost of: (i) infrastructure provided by the Town or County and to be removed, (ii) removal of such infrastructure, and (iii) restoration of the land occupied by such removed infrastructure to its condition prior to such removal.

10.3 Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between the Town, County and SHS. During the Term of this Agreement, clarifications of details or specific procedures of this Agreement and the Development of the Project may be appropriate with respect to the details of performance of SHS, SHS-Successors, Town and County. If and when, from time to time, the Town, County and SHS agree that such clarifications are necessary or appropriate, they shall effectuate such clarification through operating memoranda approved in writing. Operating memoranda are not intended to and cannot constitute an amendment to this Agreement, but are mere interpretive or ministerial clarifications. Public notices and hearings for such non-substantive supplements shall not be required.

10.4 Certificates of Occupancy. The Town shall not issue a Certificate of Occupancy for any building on the Property until all improvements necessary to serve such building are completed or until other arrangements have been made for the completion of the improvements to the Town's satisfaction. In particular, as to one instance of such application, all street trees, street lighting and pedestrian pathways required by the Town to be constructed along Maryland Route 662 shall be installed prior to the Town's issuance of a Use and Occupancy permit for any building on the Property.

10.5 No Liability for Town or County Review. SHS, on behalf of itself and SHS Successors, acknowledges and agrees: (i) that neither the Town or County is, and shall not be, in any way liable for any damages or injuries that may be sustained as the result of the Town's or County's review and approval of any plans for Development of the Property, or as a result of the issuance of any approvals, permits, certificates, or acceptances for Development of the Property, and (ii) that the Town's or County's review and approval of any such plans and issuance of any such approvals, permits, certificates, or acceptances does not, and shall not, in any way be deemed to insure SHS, SHS Successors, tenants, licensees, or any third party, against damage or injury of any kind at any time.

SHS, on behalf of itself and SHS Successors, agrees to, and does hereby, hold harmless and indemnify the Town and County and all of its elected and appointed officials, employees, agents, representatives, engineers, and attorneys (collectively, the "**Indemnified Approving Parties**"), from any and all claims for damages resulting from injuries to persons or property that may be asserted at any time against any of the Indemnified Approving Parties in connection with (1) the Town's or County's review and approval of any Development plans for the Property, (2) the Development, construction, and/or maintenance by SHS and/or SHS-Successors of any portion of the Property, and (3) the maintenance of any improvement of the Property until the same is

accepted by the Town, County, or State. Such indemnification shall include, the payment of all expenses, including legal fees and administrative expenses, incurred by the Town or County in defending itself with regard to any and all of the claims mentioned herein. Such indemnification shall not include, and SHS and SHS-Successors shall not have any obligation to indemnify or defend the Indemnified Approving Parties, in any appeal or litigation challenging an administrative, permitting or Development approval action or omission of any of the Indemnified Approving Parties.

## 11. GOOD FAITH COMPLIANCE REVIEW

11.1 Review of Compliance. In accordance with this Paragraph 11 and until the issuance of an Occupancy Certificate for an acute care hospital constructed in Section One, once every two years on or before the anniversary of the Effective Date, the Town may review the extent of good faith substantial compliance by SHS with the terms and provisions of this Agreement (“**Periodic Review**”). Town shall notify SHS and County of the scheduled date of each Periodic Review at least ninety (90) calendar days prior to such date.

11.2 Good Faith Compliance. If the Town initiates Periodic Review, SHS shall demonstrate by written status report(s) that, during the preceding twenty-four (24) month period, they have been in good faith compliance with this Agreement. During a Periodic Review initiated by the Town, SHS may request that the Town generate a similar report detailing its good faith compliance. For purposes of this Agreement, the phrase “**good faith compliance**” shall mean that SHS has demonstrated that, with respect to the portion(s) of the Property owned by it, it has acted in substantial compliance with the material provisions of this Agreement and in a commercially reasonable manner (taking into account the circumstances which then exist).

11.3 Content of Status Report. The written status report(s) shall be submitted by SHS to Town and County at least thirty (30) business days prior to the scheduled date of the Periodic Review. The report(s) shall include, in addition to the information submitted by SHS or requested by Town, the following:

- (a) infrastructure installed, by type and location, and the status and timing of planned and on-going infrastructure projects on or for the Property;
- (b) the status of financing of public infrastructure for the Project; and
- (c) proposed dedications of infrastructure offered by SHS.

11.4 Information to be Provided to SHS and County. The Town shall deliver to SHS and County a copy of all staff reports (if any) prepared in connection with a Periodic Review, any prior staff reports generated during the review period, written comments from the public and, to the extent practical, all related exhibits concerning such Periodic Review at least ten (10) business days prior to the Town’s public proceedings considering a Periodic Review. Upon request by SHS, SHS shall be given a full and adequate opportunity to be heard regarding their performance and the Town’s performance under the Agreement prior to the completion of the

Town's Periodic Review. Following its Periodic Review, the Town shall provide SHS and County with a written determination of SHS' good faith compliance.

11.5 Failure of Periodic Review. A Party's failure to initiate or complete a Periodic Review of the compliance with the terms and conditions of this Agreement shall not constitute or be asserted by any Party or any Third Party as a breach by any Party of this Agreement, nor shall it affect any Party's right or be a prerequisite to acting upon any default or breach under this Agreement by another Party.

## 12. DEFAULT AND REMEDIES

12.1 SHS or SHS-Successor Default. SHS or a SHS-Successor shall be in default under this Agreement upon the happening of one or more of the following events or conditions:

(a) if a material warranty, representation or statement made or furnished by SHS or a SHS-Successor to the Town and/or County is false or proves to have been false in any material respect when it was made;

(b) SHS or a SHS-Successor fails to comply in good faith with a material requirement of this Agreement; or

(c) An express written repudiation, refusal or renunciation of this Agreement, or any material provision thereof, by SHS or a SHS-Successor.

12.2 Town or County Default. The Town or County shall be in default under this Agreement upon the happening of one or more of the following events or conditions:

(a) if a material warranty, representation or statement made or furnished to SHS or any SHS-Successor by the Town or County is false or proves to have been false in any material respect when it was made;

(b) the Town or County fails to comply in good faith with a material requirement of this Agreement; or

(c) an express written repudiation, refusal or renunciation of this Agreement by the Town or County.

12.3 Event of Default. In the event of a default and subject to extensions of time by mutual consent in writing, the Party or SHS-Successor charging a Party or an SHS-Successor with default shall send written notice to the defaulting person or entity as set forth by Paragraph 12.4. If the defaulting person or entity is an SHS-Successor, a copy of the Notice of Default addressed to the defaulting SHS-Successor shall also be sent to SHS for SHS' information. If the defaulting person or entity is an SHS-Assignee, SHS shall have no obligations or

consequences resulting from such default and Town and County shall look solely to such SHS-Assignee for remedies of such default.

If, after written notice:

(a) the defaulting person or entity does not cure such default within thirty (30) days following receipt of the written Notice of Default from the other Party or SHS-Successor, where such failure is of a nature which can be cured within such thirty (30) day period, or

(b) such failure is not of a nature which can be cured within such thirty (30) day period, and the defaulting person or entity does not within such thirty (30) day period commence reasonable efforts to cure such default, or thereafter does not within a reasonable time prosecute and continue the curing of such default to completion with diligence and continuity, then the other Parties to this Agreement may at their option institute legal proceedings pursuant to this Agreement.

12.4 Notice of Default. Every Notice of Default shall be in writing and specify in detail that it is given pursuant to this Paragraph of the Agreement, the nature of the failure(s) in performance which provider of the notice claims constitute(s) the default (including references to the pertinent provisions of this Agreement and applicable Governmental Rules), the portion of the Property involved, the materiality of the alleged default, and the nature of performance requested or the manner in which such failure may be satisfactorily cured in accordance with the Provisions of this Agreement. A Notice of Default shall be given and deemed received as set forth in Paragraph 2.8.

12.5 Default by SHS; Town and County Remedies. In the event SHS is in default under the terms of this Agreement, the Town or County shall have the right to exercise any of the following remedies:

(a) to waive, in their sole and absolute discretion, such default as not material;

(b) to refuse to process an application for, or to grant any permit, approval or other land use entitlement for Development of the portion(s) of the Property directly and physically impacted by the default (e.g., inadequate access, utilities, drainage, stormwater management, etc.), including withholding any Development Approval or permit necessary for the continued Development of such portion(s) of the Property;

(c) to pursue all legal and equitable remedies provided by law;

(d) to delay or suspend Town and/or County performance under this Agreement with respect to the portion(s) of the Property directly and physically impacted by the default; and

(e) to cure and charge back costs to SHS in emergencies that , in the good faith determination of Town or County, pose an immediate danger to the health or safety of persons or property, with such prior notice to SHS as is appropriate under the circumstances.

Such costs shall be assessed and collectible against the portion of the Property for which SHS is in default. The Town or County may assert a lien for such costs by filing in the Land Records of Talbot County a notice of lien, which shall describe the property against which the lien is asserted, the amount of the lien and a statement setting forth the basis of the claim. The Town or County shall have the right to enforce such a lien in the same manner as if the lien (1) were a mortgage granting to the Town or County as lender both a power of sale and an assent to a decree pursuant to MD. ANN. CODE Real Property Article § 7-105 as if the amount of the lien were the principal amount due under the mortgage and as if the mortgage were in default or (2) were unpaid real property taxes in arrears pursuant to MD. ANN. CODE Tax Property Article § 14-808 *et seq.* Any costs incurred pursuant to this provision shall relate back to the date of recordation of this Agreement among the Land Records of Talbot County, Maryland and shall have priority over any Mortgage recorded after such date.

(f) The foregoing remedies are cumulative and not alternative or exclusive, and an election to pursue one remedy does not preclude pursuit of others.

12.6 Default by SHS-Successors; Town and County Remedies. In the event an SHS-Successor is in default under the terms of this Agreement, the Town or County shall have the right to exercise any of the following remedies:

(a) to waive, in their sole and absolute discretion, such default as not material;

(b) to refuse processing of an application for, or the granting of any permit, approval or other land use entitlement for Development of the portion(s) of the Property directly and physically impacted by the default (*e.g.*, inadequate access, utilities, drainage, stormwater management, etc.), including but not limited to the withholding of any Development Approval or permit necessary for the continued Development of such portion(s) of the Property;

(c) to pursue all legal and equitable remedies provided for by law;

(d) to delay or suspend Town and/or County performance under this Agreement with respect to the portion(s) of the Property directly and physically impacted by the default; and

(e) to cure and charge back costs to such defaulting SHS-Successor in emergencies that, in the good faith determination of Town or County, pose an immediate danger to the health or safety of persons or property, with such prior notice to the defaulting SHS-Successor as is appropriate under the circumstances. Such costs shall be assessed and collectible against the portion of the Property for which the SHS-Successor is in default. The Town or County may assert a lien for such costs by filing in the Land Records of Talbot County a notice of lien, which shall describe the property against which the lien is asserted, the amount of the lien and a statement setting forth the basis of the claim. The Town or County shall have the right to enforce such a lien in the same manner as if the lien (1) were a mortgage granting to the Town or County as lender both a power of sale and an assent to a decree pursuant to MD. ANN. CODE Real Property Article § 7-105 as if the amount of the lien were the principal amount due under the mortgage and as if the mortgage were in default or (2) were unpaid real property taxes

in arrears pursuant to MD. ANN. CODE Tax Property Article § 14-808 *et seq.* Any costs incurred pursuant to this provision shall relate back to the date of recordation of this Agreement among the Land Records of Talbot County, Maryland and shall have priority over any Mortgage recorded after such date.

(f) The foregoing remedies are cumulative and not alternative or exclusive, and an election to pursue one remedy does not preclude pursuit of others.

Notwithstanding the provisions of (b) or (d) above, each non-defaulting SHS-Successor: (i) shall be entitled to continue Development of the Property, (ii) shall continue to enjoy all rights established hereunder, and (iii) shall have no obligation to cure the default by another SHS-Successor, unless the portion of the Property owned by such non-defaulting SHS-Successor is directly and physically impacted by the default, in which event the non-defaulting SHS-Successor shall be responsible for resolving or addressing solely the impacts of the default that directly affect such SHS-Successor's portion of the Property.

12.7 Default by Town or County; SHS Remedies. In the event Town or County is in default under the terms of this Agreement, SHS and SHS-Successors shall have the right to exercise any of the following remedies:

- (a) to waive, in their sole and absolute discretion, such default as not material;
- (b) to pursue all legal and equitable remedies provided for by law;
- (c) to delay or suspend the performance of SHS and the SHS-Successors under this Agreement.
- (d) The foregoing remedies are cumulative and not alternative or exclusive, and an election to pursue one remedy does not preclude pursuit of others.

### 13. TERMINATION OR SUSPENSION

13.1. Events and Manner of Termination or Suspension. Because of the substantial reliance of the Town, County, and SHS on the provisions of this Agreement to implement the Development of the Property, the Town, County, and SHS desire to avoid termination or suspension of this Agreement when other appropriate remedies or procedures to resolve disputes or problems exist. Prior to termination or suspension, the Town, County, and SHS will meet and confer with the objective of attempting to arrive at a mutually acceptable alternative to termination or suspension, which substantially advances the objectives of all Parties in entering into this Agreement. Accordingly, this Agreement may be terminated or suspended by a Party only under any one or more of the following circumstances:

- (a) by operation of Paragraph 2.5 (Expiration of Term);
- (b) by operation of Paragraph 13.2 (Individual Lots);

(c) by operation of Paragraph 18.3 (Severability) with respect to particular term(s) or provision(s) hereof;

(d) entry of a final, non-appealable judgment setting aside, voiding, annulling or otherwise invalidating this Agreement in its entirety;

(e) upon mutual, written agreement by all Parties hereto; or

(f) if the Town or County determines that suspension or termination of the Agreement is essential to ensure the public health, safety, or welfare, the Town or County may suspend or terminate the Agreement after a public hearing.

Except in the event of terminations under (a) or (d) above, the use limitations of Paragraph 4.7 shall survive termination of this Agreement and bind the Property and all portion(s) thereof for the duration of the Term.

13.2 Termination with Respect to Individual Lots of Record. Notwithstanding any other provisions of this Agreement, this Agreement may be terminated with respect to one or more individual lots of record upon written request of the owner of such lot(s). Such termination shall be effective only through the recordation of a Statement of Termination executed by the requesting owner, any individual or entity holding a lien or security interest in such lot(s), SHS, Town and County. Consent to the termination shall not be unreasonably withheld provided that: (i) the lot(s) for which termination is proposed are then in compliance with this Agreement, (ii) any payments or contributions due from or with respect to such lot(s) have been paid, and (iii) all infrastructure improvements necessary to support said lot(s) have been constructed and are operating with Town or County approval, as appropriate. The Statement of Termination shall be effective upon its recordation in the County Land Records.

13.3 Effect of Termination on SHS Rights and Obligations. Termination of this Agreement shall not affect the obligation of SHS and SHS-Successors to comply with the terms and conditions of the applicable Town or County law and Development Approvals, nor shall it affect any other provisions of this Agreement that, by express language, survive termination hereof. Termination of this Agreement shall not affect or terminate any Development Approvals for the Property, nor shall it affect or terminate rights in which SHS or SHS-Successors have vested under the common law of the State.

13.4 Effects of Termination on Town and County. Upon any termination of this Agreement as to SHS, SHS-Successors or the Property, or any portion thereof, the approvals, entitlements, conditions of Development, limitations on fees and all other terms and conditions of this Agreement shall no longer be vested hereby with respect to the portion of the Property affected by such termination (although vesting of such approvals, entitlements, conditions or fees may, by then, otherwise be vested for such portions of the Property pursuant to applicable law), and Town and County shall no longer be limited by this Agreement.

#### 14. EXCUSABLE DELAY; EXTENSION OF TIME FOR PERFORMANCE

In addition to the specific provisions of this Agreement, performance by any Party or SHS-Assignee of its obligations hereunder, other than payment of fees and other monetary assessments, shall be excused and shall not be deemed to be in default during any period of "Excusable Delay", as hereinafter defined, provided that the Party or SHS-Assignee claiming the delay gives notice of the delay to the other Parties within sixty (60) days after the commencement of the delay or as soon as reasonably possible after the same has been ascertained. For purposes hereof, "Excusable Delay" shall mean delay that directly affects, and is beyond the reasonable control of, the Party or SHS-Assignee claiming the delay, and persists for more than thirty (30) days including delays or defaults due to:

- (a) Acts of God;
- (b) civil commotion;
- (c) war, acts of terrorism, or similar hostilities;
- (d) riot;
- (e) strike, walkout, picketing or other labor dispute (including the Party's employment force);
- (f) damage to work in progress by reason of fire, flood, storm, earthquake or other casualty;
- (g) lack of adequate utility capacity for the Property to the extent it impacts a Party's or SHS-Assignee's ability to perform;
- (h) inability after documented reasonable efforts to secure necessary labor, materials, tools, or delays of any contractor, subcontractor or supplier;
- (i) failure by governmental entities other than Town or County, their departments, agencies, boards and commissions to complete a review, issue an approval or perform another act or deed necessary for the performance of this Agreement in a manner and timeframe consistent with such governmental entities' typical procedures and practices, provided that a complete application or request for such action has been timely submitted;
- (j) court orders or actions (such as restraining orders or injunctions);
- (k) litigation, including claims contesting the validity, or seeking the enforcement or clarification of this Agreement, a Development Approval, or any other governmental action necessary for development of the Property, whether instituted by SHS, SHS-Successors, Town, County or any other person or entity, except that if SHS or any SHS-Assignee elects to proceed with Development during the pendency of litigation pursuant to Paragraph 10.2, the period of litigation shall not constitute an Excusable Delay;

(l) inability to obtain and consummate necessary financing, or delays of any lender or third party relating thereto provided, however, that the total delay based upon this Paragraph shall not be excused beyond an aggregate of five years. Each time SHS or a SHS-Assignee intends to rely upon this provision, it shall give Town and County written notice of such intention setting forth the date on which such claim of Excusable Delay began and the basis for such claim. SHS or the SHS-Assignee shall give written notice to the Town and County of the end of each period of such Excusable Delay;

(m) any default by any other Party or SHS-Successor hereunder; or

(n) the presence or remediation of currently unknown hazardous materials.

During any period of excusable delay or non-performance by SHS or an SHS-Assignee, the Town or County may, in its discretion, suspend any further consideration of pending Development Approvals applicable to the portion of the Property owned by the person or entity claiming the Excusable Delay and/or directly and physically affected by the Excusable Delay, and the Town or County shall not be in default of its obligations. The Parties agree that performance of this Agreement is intended to be mutual and reciprocal.

## **15. MORTGAGEE PROTECTION; CERTAIN RIGHTS OF CURE**

15.1 Mortgages Not Prohibited. The Town and County acknowledge that the lenders providing Mortgages or other financing secured in any form by a portion of the Property may require certain interpretations of this Agreement and agree upon request, from time to time, to meet with SHS or SHS-Assignees and representatives of such lenders to discuss in good faith any such request for interpretation. The Town and County will not unreasonably withhold their consent to any such requested interpretation, provided such interpretation is consistent with the intent and purposes of this Agreement, and is consistent with the public health, safety, and welfare. Subject to the foregoing, any Mortgagee, including without limitation the purchaser at a judicial or non-judicial foreclosure sale or a person or entity who obtains title by deed-in-lieu of foreclosure on the Property, shall be entitled to the rights and privileges in this Section 15.

15.2 Mortgagee Protection. Subject to the subordination provisions set forth above, neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any Mortgage on the Property made in good faith, without notice, and for value. No Mortgagee shall have an obligation or duty under this Agreement to perform obligations of SHS or SHS-Assignees, or to guarantee such performance, prior to taking title to all or a portion of the Property.

15.3 Request for Notice to Mortgagee. The Mortgagee of any Mortgage encumbering any portion of the Property that is in default shall be entitled to receive from the Town and County a copy of any Notice of Default delivered to SHS or the SHS-Assignee, provided that the Mortgagee has submitted a request in writing to Town and/or County in the manner specified herein for giving notices and the notice makes specific reference to this Paragraph. If Town or County receives such a request from a Mortgagee, Town or County shall provide such

Mortgagee a copy of any Notice of Default concurrently with the Notice to SHS or the SHS-Assignee, but any failure to so notify Mortgagee shall not affect the default.

15.4 Mortgagee's Time to Cure. The Mortgagee shall have the right, but not the obligation, to cure in accordance with all applicable cure provisions herein. However, with respect to portion(s) of the Property owned by SHS and subject to the provisions of Paragraph 12.6(e), if the default is a default that can only be cured by the Mortgagee obtaining possession of such portion of the Property and the Mortgagee promptly seeks and diligently proceeds to obtain possession by all legal means, the Mortgagee shall have ninety (90) days after the date the Mortgagee obtains possession to cure the default.

15.5 Mortgagee or Successor Rights. Any Mortgagee or transferee who takes title to all or any portion(s) of the Property pursuant to foreclosure of the Mortgage, or a deed in lieu of foreclosure, shall succeed to the rights and obligations of SHS or the SHS-Assignee under this Agreement as to the portion of the Property so acquired; provided, however, in no event shall such Mortgagee be separately liable for any defaults or monetary obligations of SHS or the SHS-Assignee apart from the Property arising prior to acquisition of title to such portion of the Property by such Mortgagee, except as to public liens of record. A Mortgagee or its successors shall not be entitled to a Development Approval until all delinquent and current fees and other monetary or nonmonetary obligations due under this Agreement for such portion of the Property acquired by or through such Mortgagee have been satisfied.

15.6 Mortgagee's Right to Interpretation. Prior to coming into possession of any portion of the Property, any Mortgagee who has submitted a request in writing to Town and/or County in accordance with Paragraph 15.3 may request a written interpretation of this Agreement. The request shall be submitted to Town and/or County, with a copy to SHS, in writing in the manner specified herein for giving notices, shall identify the specific Paragraph(s) of the Agreement for which an interpretation is requested, and shall specify all material facts regarding the inquiry including the reasons why an interpretation is requested. The Town and/or County shall discuss the interpretation with SHS and give its interpretation to Mortgagee within forty-five (45) days after receipt of the request, provided that the Mortgagee shall pay the Town and County for reasonable costs including attorneys' fees incurred in responding to the Mortgagee's request. The interpretation shall be limited to its terms, assumptions and conditions and shall not be applicable to undisclosed terms, assumptions or conditions.

15.7 Public Expenses and Liens for Taxes, Fees, Utilities, etc. Nothing contained in this Agreement shall insulate the Property or any portion thereof from public or judicial sale for failure to pay any taxes, fees, expenses, utility charges, or related public liens and expenses, or judgments.

15.8 Conveyance of Property to the Town and/or County. Notwithstanding anything contained herein, any conveyance of a portion of the Property to the Town and/or County shall be free of liens, mortgages, deeds of trust, and any other encumbrance relating to monetary obligations of SHS or the applicable SHS-Assignees.

## 16. ESTOPPEL CERTIFICATES

Any Party or an SHS-Successor (“Requestor”) may at any time, and from time to time, deliver a written request to any other Party requesting that the other certify in writing (substantially in the form of the Estoppel Certificate attached as Exhibit R) that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and is a binding obligation of the Parties, (ii) this Agreement has not been amended or, if amended, identifying each amendment, (iii) the Requestor is not in breach or default of this Agreement or, if in breach or default, the nature and extent of each breach or default, and (iv) the accuracy of such other matters reasonably included in the request.

The Party or SHS-Successor receiving a request hereunder shall execute and return the certificate within thirty (30) days following receipt of the request. Unless the Party or SHS-Successor receiving the request provides a written explanation for its refusal or inability to issue such certificate within the 30-day period, the failure to deliver such a certificate within such period shall constitute a conclusive presumption that, except as may be represented by the requesting Party or SHS-Successor, this Agreement is in full force and effect without amendment and there are no breaches or uncured defaults in the performance of the Requestor. The Town and County acknowledge and agree that any certificate issued hereunder by Town or County may be relied upon by SHS, any SHS-Successors and Mortgagees.

## 17. CONFLICTS OF LAW

17.1 Conflict with State or Federal Laws or Action of Other Governmental Body or Agency. In the event that any State, federal or other applicable law or regulation enacted after the Effective Date, or any governmental action, other than an action by Town or County, taken after the Effective Date, materially prevents or precludes compliance with one or more of the provisions of this Agreement, such affected provisions shall be modified or suspended by the Parties as may be necessary to comply with such State or federal law or regulation or non-Town/County governmental action; provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws, regulations or non-Town/County governmental action. To the extent such laws, regulations or non-Town/County governmental action do not render such remaining provisions impractical to enforce, the Town and County also agree to process changes to the Development proposed by SHS and SHS-Successors as may be necessary to comply with such State or federal or other applicable law, so long as those changes are generally consistent with this Agreement.

17.2 Notice. No Party or SHS-Successor shall claim that a conflict, as described in Paragraph 17.1, exists, unless that Party or SHS-Successor has given the other Parties at least thirty (30) days written notice of the conflict. The notice shall identify the law, regulation or non-Town/County governmental action, the date the law or regulation was enacted or the date the non-Town/County governmental action was taken, the manner in which the law, regulation or non-Town/County governmental action conflicts with one or more provisions of this Agreement and the nature and extent of the impact of such governmental action. Nothing in this Paragraph 17.2 shall supersede or nullify the operation and effect of any State, federal or other

applicable law or regulation, or other governmental action referred to in Paragraph 17.1, which shall remain applicable according to its terms.

17.3 Modification Conference. Within fifteen (15) days after notice is given as provided in Paragraph 17.2, SHS, any SHS-Successor who owns a portion of the Property subject to the proposed modification, Town and County shall meet and confer in good faith in a reasonable attempt to modify this Agreement to comply with such law, regulation or non-Town/County governmental action. In such negotiations, Town, County and SHS agree to preserve the terms of this Agreement and the rights of Parties as derived from this Agreement to the maximum feasible extent while resolving the conflict. SHS, SHS-Successors, Town, and County shall cooperate with each other in resolving the conflict in a manner that reasonably minimizes financial impacts of the conflict upon SHS, SHS-Successors, Town and County.

17.4 Town/County Council Consideration. Within thirty (30) business days after the modification conference, regardless of whether the Parties reach an agreement on the effect of such law or regulation upon this Agreement, the matter shall be scheduled for hearing(s) before the Town and County. Notice of such hearing(s) shall be given pursuant to the Development Agreement Statute, Town Enabling Law and County Enabling Law. The Town and County, at such hearing(s), shall consider the exact modification or suspension that shall be necessitated by such law, regulation or non-Town/County governmental action. SHS and SHS-Successors shall have the right to offer testimony at the hearing. No modification or suspension of this Agreement shall be effective unless approved by the Town, County, and SHS.

17.5 Cooperation in Securing Permits or Approvals. Provided that SHS, Town and County agree to a modification or suspension of this Agreement pursuant to Paragraph 17.3, the Town and County shall cooperate with SHS in good faith and use reasonable efforts to assist SHS in the timely securing of any permits or approvals which may be required as a result of such modifications to, or suspensions of, all or any part of this Agreement.

17.6 Challenge Regarding New Law or Regulation. SHS, SHS-Successors, Town and/or County shall have the right to challenge by appropriate judicial proceedings any such new law, regulation or non-Town/non-County governmental action preventing compliance with the terms of this Agreement. In the event that such challenge is successful, this Agreement shall remain unmodified and in full force and effect.

## **18. MISCELLANEOUS PROVISIONS**

18.1 Recordation of Agreement. This Agreement shall be recorded in the County Land Records within twenty (20) days of the last date of execution of this Agreement at SHS' expense.

18.2 Entire Agreement; Incorporation by Reference. This Agreement constitutes the entire understanding between the Parties with respect to the transactions contemplated by this Agreement, and all prior oral or written understandings, representations and statements are merged into this Agreement except the Annexation Agreement and SHS Options. All exhibits

and other document attached to this Agreement are incorporated herein by reference for the purposes set forth herein.

18.3 Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a specific situation, is found to be invalid, void, or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect.

18.4 Governing Law. This Agreement and the actions of the parties hereunder shall in all respects be governed by and construed in accordance with the laws of the State of Maryland.

18.5 Cross-Reference; Headings. When a reference is made in this Agreement to an article, section, paragraph, clause, schedule or exhibit, such reference shall be deemed to be to this Agreement unless otherwise indicated. The headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to interpret, expand or limit the terms of this Agreement.

18.6 Rules of Construction and Interpretation. Any term used in an exhibit hereto shall have the meaning as in this Agreement unless otherwise defined in such exhibit. The singular includes the plural; the masculine gender includes the feminine; "shall" is mandatory; "may" is permissive. "Herein", "hereby", "hereunder", "hereof", "hereinbefore", "hereinafter" and other equivalent words refer to this Agreement and not solely to the particular portion thereof in which any such word is used. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation".

18.7 No Party Deemed Drafter. The final language of this Agreement is the result of extensive negotiations. Each Party has thoroughly reviewed this Agreement and has had the advice of counsel prior to execution hereof, and no Party shall be deemed to be the drafter of the Agreement for purposes of judicial construction.

18.8 Business Days. If any date or any period provided in this Agreement ends on a Saturday, Sunday or legal holiday, the applicable period for calculating the date or period shall be extended to the first business day following such Saturday, Sunday or legal holiday.

18.9 Waivers. Any failure by a Party hereto to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and such Party will have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate officers of Town, County, SHS or SHS-Successor(s), as the case may be, as set forth by Paragraph 2.7. Any such written waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.

18.10 Reservation of Rights. To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges and immunities under applicable laws.

18.11 No Third-Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors-in-interest. No other person shall have any right of action based upon any provision of this Agreement. Nothing in this Agreement, nor any act of any Party arising under this Agreement, shall be deemed or construed by any Party, or by unrelated or Third Parties, to create any third-party rights, except as provided by any written assignment of rights or interests consistent with this Agreement.

18.12 Litigation; Attorneys' Fees and Consulting Fees.

(a) SHS or any SHS-Successor who makes any request to the Town and/or County for modification, change, review, or any other consideration or reconsideration of this Agreement, shall reimburse the Town and/or County, as applicable, for its or their attorneys' fees and costs and other professional or consulting fees (including, for example, engineering fees), arising as a result of the request.

(b) *Third Party Litigation – General.* In the event of any litigation or appeal by a Third Party related to this Agreement, the Town, County, SHS and any SHS-Successor who owns portion(s) of the Property subject to the litigation, shall confer at the earliest reasonable opportunity to discuss the nature and level of Town and County involvement in such litigation and the contribution(s) (i.e., substantive participation, reimbursement of fees, etc.), if any, by the parties in interest to Town and/or County.

(c) *Third Party Litigation - Section One.* In the event of any litigation or other legal proceedings initiated by a Third Party against the Town and/or County related to the application or interpretation of this Agreement with respect to the first phase of Development within Section One, SHS and any SHS-Assignee with respect to a portion of Section One shall join in, participate and defend this Agreement, in conjunction with the Town and/or County, against such Third Party action. Notwithstanding the foregoing, SHS and SHS-Assignees shall have no obligation to indemnify or reimburse the Town or County for such litigation, nor shall SHS or SHS-Assignees have any obligation to join in, participate or defend this Agreement in the event of any claims arising from Town's or County's willful misconduct.

(d) *Litigation Between Original Parties.* In the event of any litigation or other legal proceedings between some or all of the original Parties (including any subsidiaries or affiliates of SHS, but not any unrelated SHS-Successors) for the enforcement, declaration, or challenge of any right or obligation pursuant to, or as a result of any alleged breach of, this Agreement each Party shall be responsible for its own fees and costs, including attorney's fees, costs and expenses and litigation expenses.

(e) *Litigation by SHS-Successors.* If the Town and/or County prevail in litigation or other legal proceedings between the Town and/or County and any SHS-Successor(s) for the enforcement, declaration, or challenge of any right or obligation pursuant to, or as a result of any alleged breach of, this Agreement, such SHS-Successor(s) shall reimburse the prevailing Town and/or County for all fees and costs incurred, including attorney's fees, costs and expenses and litigation expenses. Any judgment, order or decree rendered in such proceeding shall include an award thereof. "Attorneys' fees" under the foregoing sentence shall include

attorneys' fees on any appeal and any post-judgment proceedings to collect or enforce the judgment. A determination of whether the Town or County "prevails" shall be made by the court hearing such matter. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement. Notwithstanding any provision hereof, in no event shall a Third Party or any SHS-Successor be entitled to payment or reimbursement of any attorneys' fees, expenses or costs.

18.13 Counterparts. This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

18.14 Project as a Private Undertaking. It is understood and agreed by and between the Parties that: (a) the Project is a private development; (b) no Party is acting as the agent of the other in any respect hereunder; (c) each Party and any SHS-Successor is an independent contracting entity with respect to the provisions of this Agreement; (d) Town has no interest in or responsibilities for any improvements to the Property unless and until Town accepts the improvements pursuant to the provisions of this Agreement or in connection with any subdivision approvals; and (e) upon settlement on the Property, SHS and SHS-Successors shall have the full power and exclusive control over the Property subject to applicable laws and regulations and the obligations of SHS and SHS-Successors set forth in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement.

18.15 Further Actions and Instruments. Each of the Parties and SHS-Successors shall cooperate with and provide reasonable assistance to the others to the extent contemplated hereunder in the performance of all obligations and the satisfaction of all conditions of this Agreement. Upon the request of any Party or an SHS-Successor at any time, the other Parties and SHS-Successors shall promptly execute and file or record such instruments and other writings, and take such other actions as may be reasonably necessary to carry out the intent or fulfill the provisions of this Agreement, provided that such instruments or writings do not constitute amendments to this Agreement. Without in any manner limiting the specific rights and obligations set forth in this Agreement, the Parties hereby declare (and SHS makes such declaration for its SHS-Successors) their intention to cooperate with each other in effecting the terms of this Agreement.

18.16 Covenant of Good Faith and Fair Dealing. No Party or SHS-Successor shall do anything that shall have the effect of harming or injuring the right of another Party or SHS-Successor to receive the benefits of this Agreement. Each Party and SHS-Successor shall refrain from doing anything that would render its performance under this Agreement impossible or impracticable.

18.17 Description of Required Permits. Development Approvals and permits already approved or anticipated to be required for development of the Property are identified by Exhibit E, however such list is not intended to be complete or limiting.

18.18 No Obligation to Develop. It is understood that Development of the Property by SHS and SHS-Successors is contingent upon a number of factors including, but not limited to,

healthcare regulatory approvals, availability and cost of financing, demand for medical services, and the general economic climate of the area. If the Property is Developed, the initial phase of Development shall include an acute care hospital as described by Recital I. Nevertheless, nothing herein shall be construed as requiring SHS or SHS-Successors to Develop all or any portion of the Property with any particular use, or at all, and no election by SHS or SHS-Successors to terminate, defer, suspend or modify plans to develop the Property shall be deemed a default of SHS or SHS-Successors under this Agreement.

18.19 Not a Public Dedication. Except as otherwise expressly provided, no provision herein shall be deemed to be a gift or dedication of the Property or any portion thereof to the general public, for the general public, or for any public use or purpose whatsoever, it being the intention and understanding of the parties that this Agreement be strictly limited to and for the purposes herein expressed for Development of the Property as private property.

18.20 Incorporation in Subsequent Deeds. Reference to this Agreement shall be included in any deed for all or portion(s) of the Property during the Term hereof, but failure to include such reference shall not impact the effectiveness of this Agreement.

*REMAINDER OF PAGE INTENTIONALLY BLANK*

19. SIGNATURES

IN WITNESS WHEREOF, the Town, County and SHS have executed this Agreement under seal on the dates set forth below.

ATTEST:

TOWN OF EASTON

Kathy M. Ruf  
Kathy Ruf, Town Clerk

By: Robert C. Willey (SEAL)  
Robert C. Willey, Mayor

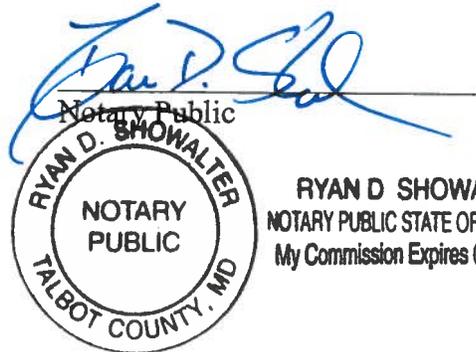
Sharon M. Van Emburgh  
Approved as to form and legal sufficiency  
by Sharon VanEmburch, Esq., Town Attorney

STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

I HEREBY CERTIFY, that on this 14<sup>th</sup> day of October, 2014, before me, a Notary Public of the State aforesaid, personally appeared ROBERT C. WILLEY, who acknowledged himself to be the Mayor of the Town of Easton, a Maryland municipal corporation, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing Agreement, and acknowledged that he executed the same for the purposes therein contained as the fully authorized agent of said Town of Easton.

WITNESS my hand and Notarial Seal.

My Commission expires: 6/25/16



SIGNATURES CONTINUE ON FOLLOWING PAGES

ATTEST:

TALBOT COUNTY, MARYLAND

Clay B. Stamp  
Clay Stamp, County Manager

By: [Signature] (SEAL)  
Corey W. Pack, President  
Talbot County Council

[Signature]  
Approved as to form and legal sufficiency  
by Michael Pullen, Esq., County Attorney

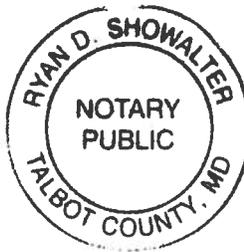
STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

I HEREBY CERTIFY, that on this 14<sup>th</sup> day of October, 2014, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared COREY W. PACK, who acknowledged himself to be the President of the TALBOT COUNTY COUNCIL, the chief executive of Talbot County, Maryland, a charter county and political subdivision of the State of Maryland, and that he as such President, being authorized so to do, executed the foregoing Agreement for the purposes therein contained by signing the name of said Talbot County, Maryland, by himself as President.

AS WITNESS my hand and Notarial seal.

My commission expires: 6/25/16

[Signature]  
Notary Public



RYAN D SHOWALTER  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires 06/25/2016

*SIGNATURES CONTINUE ON FOLLOWING PAGE*

ATTEST:

SHORE HEALTH SYSTEM, INC.

[Signature]

By: [Signature] (SEAL)  
Kenneth D. Kozel, President and CEO

STATE OF MARYLAND, COUNTY OF TALBOT, TO WIT:

I HEREBY CERTIFY, that on this 14<sup>th</sup> day of October, 2014, before me, a Notary Public of the aforesaid State, personally appeared KENNETH D. KOZEL, President and CEO of Shore Health System, Inc., who was known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing Agreement, and acknowledged that he executed the same for the purposes therein contained as the fully authorized agent of said Shore Health System, Inc.

WITNESS my hand and Notarial Seal.

My Commission expires: 6/25/16

[Signature]  
Notary Public  
RYAN D SHOWALTER  
NOTARY PUBLIC  
TALBOT COUNTY, MD  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires 06/25/2016

I hereby certify this Agreement was prepared by or under the supervision of the undersigned, an attorney admitted to practice by the Court of Appeals of Maryland.

[Signature]  
Ryan D. Showalter, Esq.

**EXHIBIT A**

**EASTON PLANNING AND ZONING COMMISSION RESOLUTION**

**EASTON PLANNING AND ZONING COMMISSION**  
**Resolution No. 12-03**

**A RESOLUTION CONCERNING THE SHORE HEALTH SYSTEM, INC.  
DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT**

FOR the purpose of confirming that the terms, provisions, conditions, and obligations of the proposed Development Rights and Responsibilities Agreement between Shore Health System, Inc. ("SHS"), the Town of Easton and Talbot County, Maryland are consistent with the Comprehensive Plan of the Town of Easton; and all matters relating thereto.

WHEREAS, pursuant to Title 7, Subtitle 3 of the Land Use Article of the Annotated Code of Maryland and Article XV of the Easton Zoning Ordinance, at their regular monthly meeting held on December 20, 2012, the Easton Planning and Zoning Commission reviewed the proposed Development Rights and Responsibilities Agreement attached to Town Resolution No. 6013, and other materials;

NOW, THEREFORE, BE IT RESOLVED that, for the reasons expressed in the findings attached hereto as Exhibit A, the Easton Planning and Zoning Commission finds that the terms, provisions, conditions, and obligations of said Development Rights and Responsibilities Agreement are consistent with the Comprehensive Plan of the Town of Easton.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be provided to the Mayor and Town Council of Easton.

ADOPTED this 20<sup>th</sup> day of December, 2012.

ATTEST:

EASTON PLANNING AND ZONING COMMISSION

Stacie M. Rice  
Stacie M. Rice, Secretary

John A. Atwood  
John Atwood, Chair

## EXHIBIT A

The proposed Development Rights and Responsibilities Agreement (“DRRA”) is consistent with and implements many of the objectives and priorities of the Town’s Comprehensive Plan (“Plan”) as follows:

1. The Plan recommends that development occur in accordance with unified design principles. The Regional Healthcare zoning district applicable to the property establishes specific design considerations that will apply to the entire regional medical campus that will be subject to the DRRA. The DRRA further implements the intent of this Plan objective by requiring the preparation of one or more Master Plans for development of subsequent phases of the campus to enhance continuity and cohesiveness of the site and building design.
2. The DRRA is the product of extensive interjurisdictional cooperation, which is strongly recommended by the Plan. The Plan notes that “the proposed relocation of the Hospital” involved a cooperative relationship between the Town and County. In fact, the Town, County and SHS have coordinated extensively throughout the site selection, planning and design process with respect to many issues including, without limitation, annexation, zoning, Comprehensive Water and Sewer Plan amendments, infrastructure extensions, site planning, access and transportation improvements.
3. This interjurisdictional coordination included careful coordination between planning officials to ensure that areas designated for future growth of the Town are treated similarly by the comprehensive plans of both the Town and County, as specifically recommended by the Plan. The Town and County amended the Comprehensive Water and Sewer Plan specifically for this project to implement the Plan’s recommendation that this regulatory document be updated to reflect the readiness of projects to proceed within the Easton Growth Area.
4. The Plan’s Future Land Use Map designates the land that will be subject to the DRRA for institutional uses. The Plan specifically designates the subject property as one of seven “primary areas” for growth within the planning period of the Plan. The Plan further notes that this area “represents the site of the proposed new regional-scale medical facility of ... [SHS and] development of this site is envisioned as a campus-style facility with medical offices and other related services in addition to the hospital itself.” The Plan describes SHS’ selection of the subject property as the site for the regional medical center “terrific news for Easton and its residents”.
5. The Regional Healthcare zoning applicable to the subject property permits mixed-use development, including limited residential and commercial uses that support the primary institutional and healthcare uses. This zoning, in which the DRRA will establish certain vested rights, is entirely consistent with the Plan’s vision for the property.
6. The Plan recommends that the Town retain and expand existing businesses. “A major goal of the Town is to ensure the continued adequate maintenance and expansion of

community facilities and public services necessary to guarantee public health, safety and welfare and enhance resident's quality of life." The Plan identifies the hospital as one of the essential public services. The Plan also specifically recommends preparing for emerging technologies such as medical/biotechnology, by ensuring the necessary infrastructure is in place to support these industries. The DRRA accomplishes each of these objectives with respect to the hospital and SHS, which the Plan designates as the Town's largest employer.

7. The DRRA implements the Plan's recommendation that new development pay for all necessary road, water, sewer and other community facilities and services extensions and additions. Other than extension of electric and gas services, which will be funded in accordance with applicable Town tariffs, the DRRA provides for all infrastructure required for this project, including road relocation and improvements and extension of Town's water and wastewater systems, at no cost to the Town.
8. Approval of the DRRA is a requirement for SHS' investment in the new regional medical campus because it provides certainty with respect to the land use regulations that will govern development of the subject property during the next 30 years. Since development of the subject property as a regional medial campus is consistent with the Plan, any and all actions taken by the Town to facilitate the implementation of this project are strongly encouraged.
9. In conclusion, the Planning and Zoning Commission hereby finds that the proposed DRRA is consistent with the Plan and recommends its approval by the Town Council.

**EXHIBIT B**

**TOWN APPROVING RESOLUTION**

RESOLUTION NO. 6013

A RESOLUTION OF THE TOWN OF EASTON AUTHORIZING THE EXECUTION  
OF A DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT  
BETWEEN THE TOWN, SHORE HEALTH SYSTEM, INC., AND TALBOT COUNTY  
RELATED TO THE DEVELOPMENT OF A REGIONAL MEDICAL CENTER

INTRODUCED BY: Mr. Wendowski

WHEREAS, the Town of Easton is authorized by Title 7, Subtitle 3 of the Land Use Article of the Annotated Code of Maryland and Article XV of the Easton Zoning Ordinance to enter into development rights and responsibilities agreements;

WHEREAS, Shore Health System, Inc., as contract purchaser of approximately 199.149 acres of land, more or less, located west of Route 50, being part of Parcels 75 and 129 on Talbot County Tax Map 17 (the "Property"), petitioned the Town of Easton and Talbot County to enter into a Development Rights and Responsibilities Agreement ("DRRA") related to the development of a regional medical center on the Property;

WHEREAS, the Town Planning Commission reviewed the proposed DRRA and by Resolution 12-02 recommended its approval and execution based upon a finding that the DRRA is consistent with the Town of Easton's 2010 Comprehensive Plan;

WHEREAS, the Town Council held a public hearing on the DRRA on January 7 and 22, 2013;

WHEREAS, the Town Council has determined that execution of the DRRA is in the best interest of the Town of Easton, is consistent with the Town's Comprehensive Plan, and

further the purpose and intent of Article XV of the Town Zoning Ordinance; and

WHEREAS, for the reasons set forth in the Findings of Fact attached hereto as Exhibit A, the Town Council approves the execution of the DRRA proposed by Shore Health System, Inc.

NOW, THEREFORE, the Town of Easton hereby resolves as follows:

Section 1. The recitals set forth above and the Findings of Fact attached hereto as Exhibit "A" are incorporated herein by reference and made a part of this Resolution;

Section 2. The Mayor is hereby authorized to execute and deliver the DRRA, a true and correct copy of which (save for executing and dating) is attached to this Resolution as Exhibit "B". The "Property" is more particularly described by the DRRA;

Section 3. The Mayor may make any non-substantive changes to the attached documents necessary to effectuate the purpose of this Resolution;

Section 4. The Mayor is hereby authorized to take whatever additional actions are reasonably necessary to effectuate the terms of this Resolution;

Section 5. Any prior execution and delivery of documents related to the DRRA that are consistent with the purpose of this Resolution, are hereby ratified and approved; and

Section 6. This Resolution shall become effective upon approval by the Mayor after adoption by the Town Council.

Malone	-	Yea
Leshner	-	Yea
Wendowski	-	Yea

Cook - Yea  
Ford - Yea

I hereby certify that the above Resolution was passed by a yea and nay vote of the Council this fourth day of February, 2013.

John Ford

John F. Ford, Town Council President

Delivered to the Mayor by me this fifth day of February, 2013.

Kathy M. Ruf

Kathy M. Ruf, Town Clerk

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APPROVED: February 5, 2013  
-----

Date: February 5, 2013

Robert C. Willey

Robert C. Willey, Mayor

EFFECTIVE DATE: February 5, 2013.

EXHIBIT "A" TO RESOLUTION 6013

IN THE MATTER OF : BEFORE THE  
THE PETITION OF : EASTON TOWN COUNCIL  
SHORE HEALTH SYSTEM, INC. :

FINDINGS OF FACT

At regularly scheduled meetings of the Easton Town Council held on January 7 and 22, 2013, a public hearing was held on the petition of Shore Health System, Inc. ("SHS") to enter into a Development Rights and Responsibilities Agreement ("DRRA") with the Town of Easton and Talbot County, Maryland for property located west of Route 50, being part of Parcels 75 and 129 on Talbot County Tax Map 17, consisting of approximately 199.149 acres of land, more or less, as more particularly described by the DRRA (the "Property"). SHS is the contract purchaser of the Property.

The Town Council makes the following findings of fact with regard to the Petition:

1. The Town Council finds that legally adequate notice of the public hearing was published in the *Easton Star-Democrat*.
2. The Town Council finds that the proposed DRRA contains all of the information required pursuant to Section 1503 of the Easton Zoning Ordinance.
3. Based in part upon the recommendation and findings of fact of the Planning Commission contained in Planning Commission Resolution 12-02, the Town Council finds that the proposed DRRA is consistent with and implements many of the objectives and priorities of the Town's Comprehensive Plan ("Plan"). The Town Council incorporates some of the findings of fact of the Planning Commission as follows:
  - a. The Plan recommends that development occur in accordance with unified design principles. The Regional Healthcare zoning district applicable to the Property establishes specific design considerations that will apply to the entire regional medical campus that will be subject to the DRRA. The DRRA further implements the intent of this Plan objective by requiring the preparation of one or more Master Plans for development of subsequent phases of the campus to enhance the continuity and cohesiveness of the site and

building design.

b. The DRRA is the product of extensive interjurisdictional cooperation, which is strongly recommended by the Plan. The Plan notes that “the proposed relocation of the Hospital” involved a cooperative relationship between the Town and County. Plan p. 255. In fact, the Town, County and SHS have coordinated extensively throughout the site selection, planning and design process with respect to many issues including, without limitation, annexation, zoning, Comprehensive Water and Sewer Plan amendments, infrastructure extensions, site planning, access and transportation improvements.

c. This interjurisdictional coordination included careful coordination between planning officials to ensure that areas designated for future growth of the Town are treated similarly by the comprehensive plans of both the Town and County, as specifically recommended by the Plan. The Town and County amended the Comprehensive Water and Sewer Plan specifically for this project to implement the Plan’s recommendation that this regulatory document be updated to reflect the readiness of projects to proceed within the Easton Growth Area.

d. The Plan’s Future Land Use Map designates the Property for institutional uses. The Plan specifically designates the Property as one of seven “primary areas” for growth within the planning period of the Plan. Plan p. 260-263. The Plan further notes that this area “represents the site of the proposed new regional-scale medical facility of . . . [SHS and] development of this site is envisioned as a campus-style facility with medical offices and other related services in addition to the hospital itself.” Plan p. 263. The Plan describes SHS’s selection of the Property as the site for the regional medical center as “terrific news for Easton and its residents”. Plan p. 195.

e. The Regional Healthcare zoning applicable to the Property permits mixed-use development, including limited residential and commercial uses that support the primary institutional and healthcare uses. This zoning, in which the DRRA will establish certain vested rights, is entirely consistent with the Plan’s vision for the Property.

f. The Plan recommends that the Town retain and expand existing businesses. “A major goal of the Town is to ensure the continued adequate maintenance and expansion of community facilities and public services necessary to guarantee public health, safety and welfare and enhance resident’s quality of life.” Plan p. 190. The Plan identifies the hospital as one of the essential public services. Plan p. 194. The Plan also specifically recommends preparing for emerging technologies such as medical/biotechnology, by ensuring the necessary infrastructure is in place to support these industries. Plan p. 240. The DRRA accomplishes each of these objectives with respect to the hospital and SHS, which the Plan designates as the Town’s largest employer. Plan p. 232.

g. The DRRA implements the Plan's recommendation that new development pay for all necessary road, water, sewer and other community facilities and services extensions and additions. Plan p. 199. Other than extension of electric and gas service, which will be funded in accordance with applicable Town tariffs, the DRRA provides for all infrastructure required for this project including road relocation and improvements and extension of the Town's water and wastewater systems, at no cost to the Town.

h. Approval of the DRRA is a requirement for SHS's investment in the new regional medical campus because it provides certainty with respect to the land use regulations that will govern development of the Property during the next 30 years. Since development of the Property as a regional medical campus is consistent with the Plan, any and all actions taken by the Town to facilitate the implementation of this project are consistent with the Plan and in the best interest of the Town.

4. The new regional medical center project began over seven years ago. Over the past seven years, both the Town and County Comprehensive Plans were amended, the County's Comprehensive Water and Sewer Plan was amended, the Property was annexed into the Town, and the Regional Healthcare Zoning District was established and applied to the Property. The next step in that process is for the Town, County and SHS to enter into a DRRA. The Council finds that the DRRA attached to Ordinance 6013 is a fair balance of the competing interests involved and is in the best interest of the Town of Easton.

Malone	-	Yea
Leshner	-	Yea
Wendowski	-	Yea
Cook	-	Yea
Ford	-	Yea

**EXHIBIT C**

**COUNTY PLANNING COMMISSION RESOLUTION**

**TALBOT COUNTY PLANNING COMMISSION RESOLUTION**  
**Resolution No. 13-01**

Introduced By: Commissioner Boicourt

A RESOLUTION CONCERNING SHORE HEALTH SYSTEM, INC.  
DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT

FOR the purpose of confirming that the terms, provisions, conditions, and obligations of the proposed Shore Health System, Inc. ("SHS") Development Rights and Responsibilities Agreement are consistent with the Comprehensive Plan of Talbot County, Maryland; and all matters relating thereto.

WHEREAS, pursuant to Title 7, Subtitle 3 of the Land Use Article of the Annotated Code of Maryland, and Chapter 50 of the County Code, at work session held on January 9, 2013 and a meeting held on February 6, 2013, the Talbot County Planning Commission reviewed the proposed Development Rights and Responsibilities Agreement between SHS, the Town of Easton and Talbot County, Maryland attached to proposed County Resolution No. 200, and other materials;

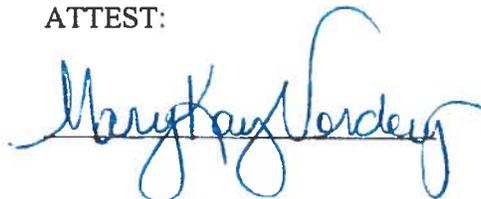
NOW, THEREFORE, BE IT RESOLVED that, for the reasons expressed in the findings attached hereto as Exhibit A, that the Talbot County Planning Commission finds that the terms, provisions, conditions, and obligations of said Development Rights and Responsibilities Agreement are consistent with the Comprehensive Plan of Talbot County, Maryland as amended by County Resolution No. 159.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be provided to the County Council of Talbot County, Maryland.

ADOPTED this 6<sup>th</sup> day of February, 2013.

ATTEST:

TALBOT COUNTY PLANNING COMMISSION

  
\_\_\_\_\_  
  
Thomas Hughes, Chairman

Hughes – Aye

Boicourt – Aye

Trax – Aye

Sullivan – Aye

Spies – Aye

## EXHIBIT A

The proposed Development Rights and Responsibilities Agreement (“DRRA”) is consistent with and implements many of the objectives and priorities of the County’s Comprehensive Plan (“Plan”) as follows:

1. The Plan recognizes Memorial Hospital at Easton as the “primary provider of medical and health care [services] in Talbot County and the surrounding Mid-Shore region.” The Plan notes that continuation of then-existing demographic trends is likely to increase demand for health care and emergency services.
2. Item C03.P.3 of the Plan’s Countywide Land Use Policies (Land Use Plan, Section III) states that “[r]egional medical care facilities and hospitals should not be located in rural or undeveloped areas of the County that do not have readily available access to water, sewer, police and fire protection or other necessary infrastructure.” Similarly, Item C05.P.7 states “[n]ew development projects should not be approved or built in areas of the County where infrastructure and services...are not adequate to accommodate the needs of the development.” The property subject to the DRRA and on which the proposed hospital and regional medical center will be located has been annexed to the Town, has access to two State roads, and will be served by the Town of Easton’s water and sewer systems.
3. The Plan’s Land Use Map 3-1 and Easton Growth Area Map 3-2 were amended by Resolution No. 159 to designate the land that is subject to the DRRA as part of the Town of Easton’s “Primary Growth Area.” The Plan specifically designates the subject property as “the site to accommodate a regional medical health care facility and related uses.”
4. The Town’s Regional Healthcare zoning applicable to the subject property permits mixed-use development, including limited residential and commercial uses that support the primary institutional and healthcare uses. This zoning, in which the DRRA will establish certain vested rights, is entirely consistent with the Plan’s vision for the property.
5. Consistent with the objectives of Chapter 9, Parks and Recreation, a portion of the land area initially identified for the regional medical campus will remain under County ownership for use and expansion of the Talbot County Community Center (“TCCC”). The DRRA also enhances the safety of access to the TCCC by providing for signalization of the TCCC access from Route 50 and construction of a new entrance to the TCCC from realigned Route 662.
6. The Plan recommends that development occur in accordance with design guidelines that enhance the appearance of the built environment in Talbot County. The Plan recommends that these guidelines include: relationship of buildings to the site and to adjoining buildings, site landscaping, building design and signage. The Regional Healthcare zoning district applicable to the property establishes specific design

considerations that will apply to the entire regional medical campus. The DRRA further implements the intent of this Plan objective by requiring the preparation of one or more Master Plan(s) for development of the campus to enhance the continuity and cohesiveness of the site and building design. Each of the considerations suggested by the Plan are elements of Master Plans required by the DRRA for development of the medical campus.

7. The DRRA is the product of extensive interjurisdictional cooperation, which is recommended by the Plan. The Plan recommends that the County “coordinate with the towns in the review and approval of development projects adjacent to the towns and in matters of town annexation.” The Town, County and SHS have coordinated extensively throughout the site selection, planning and design process with respect to many issues including, without limitation, annexation, zoning, Comprehensive Water and Sewer Plan amendments, infrastructure extensions, site planning, access and transportation improvements.
8. This interjurisdictional coordination included careful coordination between planning officials to ensure that areas designated for future growth of the County are treated similarly by the comprehensive plans of both the Town and County. The Town and County amended the Comprehensive Water and Sewer Plan specifically for this project to implement the Plan’s recommendation that this regulatory document be updated to reflect the readiness of projects to proceed within the Easton Growth Area.
9. The Plan recommends that the County “provide active support for existing Talbot County businesses.” The Plan identifies health care related activity as approximately one-third of the County’s service industry, which is the largest industry in the County. The DRRA accomplishes this objective by providing the infrastructure and development rights and reducing regulatory uncertainty in a manner necessary to facilitate construction of a state-of-the-art regional medical center and replacement hospital.
10. Approval of the DRRA is a requirement for SHS’ investment in the new regional medical campus because it provides certainty with respect to the land use regulations that will govern development of the subject property during the next 30 years. Since development of the property as a regional medial campus is consistent with the Plan, any and all actions taken by the County to facilitate the implementation of this project are strongly encouraged.
11. In conclusion, the Planning Commission hereby finds that the proposed DRRA is consistent with the Plan and recommends its approval by the County Council.

**EXHIBIT D**

**COUNTY APPROVING RESOLUTION**

**COUNTY COUNCIL**  
**OF**  
**TALBOT COUNTY, MARYLAND**

2012 Legislative Session, Legislative Day No.: December 18, 2012

Resolution No.: 200 \*AS AMENDED\*

Introduced by: Mr. Duncan, Mr. Hollis, Mr. Pack, Ms. Price

**A RESOLUTION TO ADOPT A DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT BY AND BETWEEN TALBOT COUNTY, THE TOWN OF EASTON, AND SHORE HEALTH SYSTEM, INC. CONCERNING APPROXIMATELY 199.149 ACRES OF LAND LOCATED ADJACENT AND TO THE WEST OF THE TALBOT COUNTY COMMUNITY CENTER**

By the Council: December 18, 2012

Introduced, read first time, ordered posted, and public hearing scheduled on Tuesday, January 22, 2013, at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601

By order,   
Susan W. Moran, Secretary

**A RESOLUTION TO APPROVE A DEVELOPMENT RIGHTS AND RESPONSIBILITIES AGREEMENT BY AND BETWEEN TALBOT COUNTY, THE TOWN OF EASTON, AND SHORE HEALTH SYSTEM, INC. CONCERNING APPROXIMATELY 199.149 ACRES OF LAND LOCATED ADJACENT AND TO THE WEST OF THE TALBOT COUNTY COMMUNITY CENTER**

**WHEREAS**, Talbot County Maryland is authorized by Title 7, Subtitle 3 of the Land Use Article of the Annotated Code of Maryland and Chapter 50 of the Talbot County Code to enter into development rights and responsibilities agreements;

**WHEREAS**, Talbot County, Maryland, in its capacity as owner and contract seller, and Shore Health System, Inc., as contract purchaser, petitioned the Town of Easton and the County Council, in its capacity as the public principal for Talbot County, Maryland's exercise of the authority established by Title 7, Subtitle 3 of the Land Use Article of the Annotated Code of Maryland, to enter into a Development Rights and Responsibilities Agreement ("DRRA") related to the development of a regional medical center on land located within the municipal boundaries and also located within jurisdiction of Talbot County, Maryland;

**WHEREAS**, the County Planning Commission reviewed the proposed DRRA and recommended its approval and execution based upon a finding that the DRRA is consistent with the County's current Comprehensive Plan;

**WHEREAS**, the Planning Commission's Resolution No.13-01 including its written findings, are incorporated herein by reference and hereby adopted by the County Council;

**WHEREAS**, following due consideration of all public comment received during the duly advertised public hearing on the proposed DRRA in accordance with Chapter 50 of the County Code and State law, the County Council determined that the execution of DRRA is in the best interest of the County and furthers the purpose and intent of Chapter 50 of the County Code and the County Zoning Ordinance, and the County Council desires to execute the DRRA proposed by the County and Shore Health System, Inc.

**NOW, THEREFORE, BE IT RESOLVED** by the County Council of Talbot County, Maryland as follows:

Section 1. The recitals set forth above, including the written findings of the County Planning Commission, are incorporated herein by reference and made a substantive part of this Resolution;

Section 2. Upon introduction of this Resolution, a public hearing will be scheduled and advertised in a newspaper of general circulation in Talbot County advising the public of the date, time, place, and purpose of the public hearing, at which time this application will be open for receipt and consideration of public comment.

Section 3. The President of the County Council and the County Manager, and any other County official, are hereby authorized to execute and deliver the DRRA, a true and correct copy of which (save for executing and dating) are attached to this Resolution as Exhibit "A";

Section 4. The President of the County Council or any other County officials may make any non-substantive changes to the attached documents necessary to effectuate the purpose of this Resolution;

Section 5. The President of the County Council and any other County official, are hereby authorized to take whatever additional actions are reasonably necessary to effectuate the terms of this Resolution;

Section 6. Any prior execution and delivery of documents related to the DRRA that are consistent with the purpose of this Resolution, are hereby ratified and approved; and

**BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately upon its adoption.

**PUBLIC HEARING**

Having been posted and Notice of time and place of hearing and Title of Resolution No. 200 having been published, a public hearing was held on Tuesday, January 22, 2013 at 6:30 p.m. and Tuesday, February 12, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

**BY THE COUNCIL**

**Read the third time.**

**ADOPTED: February 12, 2013 \*AS AMENDED\***

By Order *Susan W. Moran*  
Susan W. Moran, Secretary

Bartlett	-	Aye
Hollis	-	Aye
Pack	-	Aye
Duncan	-	Aye
Price	-	Aye

## **EXHIBIT E**

### **EXISTING AND REQUIRED DEVELOPMENT APPROVALS AND PERMITS**

#### Existing Development Approvals and Permits

1. Establishment of Regional Healthcare District for the Property;

#### Required Development Approvals and Permits

1. State Highway Administration access and/or improvements construction permits;
2. Maryland Department of the Environment nontidal wetlands permit;
3. Maryland Department of the Environment water appropriation permit;
4. Site approvals for all phases of Project;
5. Subdivision plats for all phases of Project;
6. Sewer and/or water reservations or allocations;
7. Variances;
8. Special exceptions;
9. Street abandonments/vacations;
10. Stormwater management plan approvals;
11. Sediment and erosion control approvals;
12. Forest conservation approvals;
13. Grading permits;
14. Building permits; and
15. Occupancy certificates.

**EXHIBIT F**

**RESERVED**

## **EXHIBIT G**

### **PLAT SHOWING PROPERTY**

The attached plat is a reduced-scale copy of the subdivision plat prepared by Daft McCune Walker Inc. entitled "PLAT OF SUBDIVISION, LOTS 1 THROUGH 7, PARCEL A, AND REVISED TAX PARCEL 38", dated October 8, 2014, last revised October 9, 2014 and intended to be recorded among the Plat Records of Talbot County, Maryland hereafter, which full-scale record plat is incorporated herein by reference.

**GENERAL NOTES:**

- OWNER/SUBDIVIDER:** TALBOT COUNTY, MARYLAND  
11 N. WASHINGTON STREET  
EASTON, MARYLAND 21601-3195
- TITLE REFERENCES:** PARCEL 38, J.T.A. 910 / F. 359  
PARCEL 78, M.A.S. 2005 / F. 159  
PARCEL 129, M.A.S. 1987 / F. 343
- ZONING CLASSIFICATION:** GH (GOVERNMENTAL INSTITUTIONAL) - PARCEL 38  
MINIMUM LOT SIZE: 40,000 SQUARE FEET  
BUILDING RESTRICTION: FRONT - 40'  
REAR - 30'  
SIDE - 15'
- ZONING CLASSIFICATION:** RH (REGIONAL HEALTHCARE) - PARCELS 75 AND 129  
MINIMUM LOT SIZE: 10,000 SQUARE FEET  
BUILDING RESTRICTION: FRONT - 50'  
REAR - 15'  
SIDE - 15'  
FROM PROPERTY ZONED OTHER THAN RH AND FROM ROUTE 50, ALL PERMANENT STRUCTURES SHALL BE SETBACK AT LEAST 50' FROM ALL PARKING AREAS AND ACCESSORY STRUCTURES SHALL BE SETBACK AT LEAST 100' FROM PUBLIC ROADS AND HIGHWAYS (INCLUDING ROUTE 50) EXISTING ON THE DATE OF ESTABLISHMENT OF THE GH DISTRICT OR THEIR RECONFIGURED ALIGNMENT, IF APPLICABLE (COLLECTIVELY, THE "EXISTING PUBLIC ROADS"). ALL PERMANENT STRUCTURES SHALL BE SETBACK AT LEAST 75' FROM THE EXISTING PUBLIC ROAD. ALL PARKING AREAS AND ACCESSORY STRUCTURES SHALL BE SETBACK AT LEAST 25' FROM EXISTING PUBLIC ROADS.
- Ø DENOTES REBAR AND CAP FOUND.
- DENOTES REBAR AND CAP SET.
- DENOTES CONCRETE MONUMENT SET.
- DENOTES UNMARKED REFERENCE POINT.
- DENOTES CONCRETE MONUMENT FOUND.
- DENOTES FOREST CONSERVATION EASEMENT.
- DENOTES EXISTING PROPERTY LINES.
- DENOTES NEW LINES OF DIVISION.
- DENOTES EXISTING TREE LINE.
- DENOTES EXISTING BOUNDARY LINE TO BE ABANDONED.
- DENOTES EXISTING NON-TIDAL WETLAND AREA.
- DENOTES MATCH LINE.
- BUILDING PERMITS SHALL BE ISSUED ONLY IF SUFFICIENT CAPACITY IS AVAILABLE IN THE COMMUNITY WATER SUPPLY SYSTEM, SEWERAGE SYSTEM, AND SOLID WASTE ACCEPTANCE FACILITY SERVING THE SUBDIVISION.
- LAND SHOWN UPON THIS PLAN MAY CONTAIN NON-TIDAL WETLANDS REGULATED UNDER COMAR 08.05.04; THE FEDERAL WATER POLLUTION ACT SECTION 404; OR THE RIVERS HARBOR ACT SECTION 10. DEVELOPMENT AND CONSTRUCTION WITHIN WETLANDS ARE SUBJECT TO FEDERAL AND STATE REGULATIONS AND MAY BE PROHIBITED OR RESTRICTED BY SUCH REGULATIONS.
- PORTIONS OF THE PROPERTY DEPICTED BY THIS PLAN ARE SUBJECT TO ONE OR MORE OF THE FOLLOWING RESTRICTIVE COVENANTS:
  - DECLARATION OF RESTRICTIVE COVENANTS RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN LIBER 2074, FOLIO 359 ON MARCH 28, 2005.
  - DECLARATION OF RESTRICTIVE COVENANTS RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN LIBER 2085, FOLIO 480 ON APRIL 26, 2005 AND
  - DECLARATION OF RESTRICTIVE COVENANTS RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN LIBER 2089, FOLIO 84 ON MAY 13, 2005.

**STORM WATER MANAGEMENT:**

THESE LOTS SHALL BE DEVELOPED IN ACCORDANCE WITH THE 2007 MARYLAND STORM WATER DESIGN MANUAL, AND THE TOWN OF EASTON STORM WATER MANAGEMENT ORDINANCE.

**CRITICAL AREA STATEMENT:**

THE PROPERTY SHOWN HEREON IS LOCATED ENTIRELY OUTSIDE THE CHESAPEAKE BAY CRITICAL AREA.

**FLOOD ZONE INFORMATION:**

THE LAND SHOWN HEREON IS IN THE ZONE A & C LOCATED WITHIN THE COASTAL FLOOD PLAN AS SHOWN ON THE FEDERAL INSURANCE RATE MAPS FOR TALBOT COUNTY, MARYLAND THEREFORE, MANDATORY FLOOD INSURANCE MAY BE REQUIRED IN ACCORDANCE WITH THE FEDERAL EMERGENCY MANAGEMENT AGENCY, WASHINGTON, D.C. SEE FEMA MAP 240056 00B A.

**NON-TIDAL WETLANDS:**

THIS DEVELOPMENT CONTAINS JURISDICTIONAL NON-TIDAL WETLANDS WHICH HAVE BEEN OFFICIALLY MAPPED BY THE U.S. ARMY CORPS OF ENGINEERS (10 201-8536-145). AS THE APPLICANT OF THIS DEVELOPMENT PROJECT WE UNDERSTAND THAT THE FINAL AUTHORITY FOR ALL NON-TIDAL WETLAND DETERMINATIONS AND REGULATIONS RESTS WITH THE U.S. ARMY CORPS OF ENGINEERS. WE ALSO UNDERSTAND THAT TOWN APPROVAL OF THIS DEVELOPMENT PROJECT DOES NOT EXEMPT THIS PROJECT FROM OBTAINING PERMITS AND APPROVAL, WHICH MAY BE REQUIRED BY THE U.S. ARMY CORPS OF ENGINEERS.

**FOREST CONSERVATION:**

- NO GRADING, EXCAVATION, UTILITY PLACEMENT AND EROSION CONTROL, ACTIVITIES, OR VEHICULAR TRAFFIC WILL OCCUR WITHIN THE FOREST RETENTION AREAS.
- FOREST BUFFER ENLARGEMENT/RESTORATION/PLANTING AREAS WILL BE DELINEATED WITH BLAZE ORANGE FENCING, WHERE DISTURBANCE IS PROPOSED IN CLOSE PROXIMITY, PRIOR TO THE BEGINNING OF ANY SEWERAGE AND EROSION CONTROL CONSTRUCTION ACTIVITY. ATTACHMENT OF SIGNS TO TREES IS PROHIBITED.
- RETENTION AREAS SHALL BE DESCRIBED PER DEED FOR EACH LOT AND SHOWN ON THE SUBDIVISION PLAN.

**CLEARING AND SCD STATEMENT:**

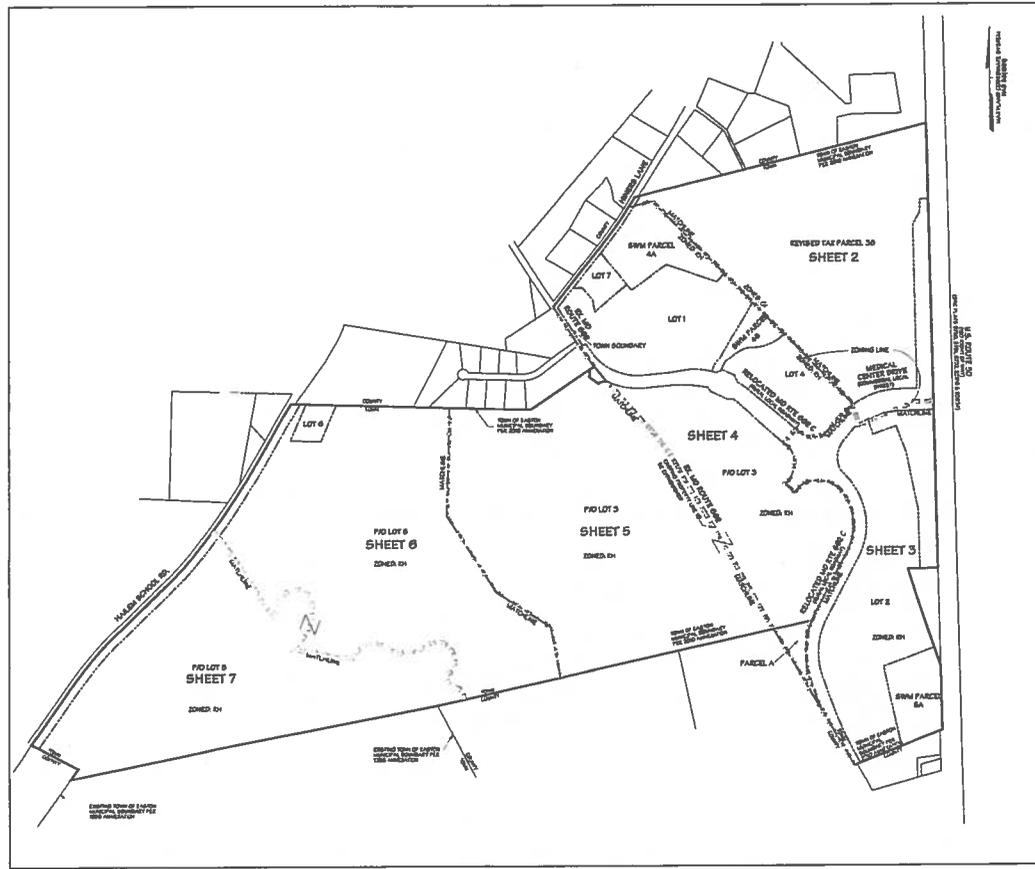
ANY LAND CLEARING, GRADING OR OTHER EARTH DISTURBANCE WITHIN THE UNINCORPORATED AREAS OF TALBOT COUNTY SHALL REQUIRE AN EROSION AND SEDIMENT CONTROL PLAN APPROVED BY THE TALBOT COUNTY SOIL CONSERVATION DISTRICT IN ACCORDANCE WITH THE TALBOT COUNTY SOIL, EROSION AND SEDIMENT CONTROL, ORDINANCE AND THE STATE OF MARYLAND EROSION AND SEDIMENT CONTROL LAW, COMAR 10.01.02.01.

**AGRICULTURAL STATEMENT:**

BY ACCEPTANCE OF THE DEED TO THIS PROPERTY, EACH LOT OWNER OR HIS SUCCESSORS OR ASSIGNS, HEREBY ACKNOWLEDGE THAT THEY ARE AWARE OF THE PROPERTY ORDERS ON PROPERTY UNDER AGRICULTURAL USE AND THAT THE NORMAL FARMING OPERATIONS ON SUCH AGRICULTURAL LAND MAY CAUSE SOME INTERFERENCE WITH THE USE AND ENJOYMENT OF THE PROPERTY, SUCH AS DROPPED, PEST, NOISE, AND DUST OF RESTRICTIONS OR ORDINANCES, THE LOT OWNER ACCEPTS THE LIMITATIONS ON USE AND ENJOYMENT AFFECTING THE PROPERTY.

**U.S. FISH AND WILDLIFE REVIEW:**

THIS DEVELOPMENT MAY CONTAIN THREATENED OR ENDANGERED SPECIES PROTECTED UNDER THE ENDANGERED SPECIES ACT AS AMENDED, THE U.S. DEPARTMENT OF THE INTERIOR, FISH AND WILDLIFE SERVICE ADMINISTERS REGULATIONS DRAUGHTED TO PROTECT THESE THREATENED AND ENDANGERED SPECIES AND THEIR HABITATS. AS THE APPLICANT FOR THIS DEVELOPMENT ACTIVITY, I UNDERSTAND THAT THE FINAL AUTHORITY FOR ALL DETERMINATIONS CONCERNING THE EFFECT OF THE DEVELOPMENT ON THESE SPECIES AND THEIR HABITAT RESTS WITH THE U.S. DEPARTMENT OF THE INTERIOR, FISH AND WILDLIFE SERVICE. I ALSO UNDERSTAND THAT THE TOWN APPROVAL OF THIS PROJECT DOES NOT EXEMPT THIS PROJECT FROM OBTAINING ALL PERMITS AND APPROVALS, WHICH MAY BE REQUIRED BY THE U.S. DEPARTMENT OF THE INTERIOR, FISH AND WILDLIFE SERVICE.



SHEET INDEX MAP  
1"=40'

**TOWN OF EASTON PLANNING OFFICE:**

THE PURPOSE OF THIS PLAN IS TO ABANDON THE LANDS OF TALBOT COUNTY PREVIOUSLY RECORDED IN THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN M.A.S. 2005 / F. 159 AND M.A.S. 1987 / F. 343.

CHAIRMAN, TOWN OF EASTON PLANNING COMMISSION \_\_\_\_\_ DATE \_\_\_\_\_

TOWN OF EASTON, LITHA S. THOMAS, TOWN PLANNER \_\_\_\_\_ DATE \_\_\_\_\_

**TALBOT COUNTY HEALTH DEPARTMENT:**

REVISED TAX PARCEL 38 AND LOTS 1, 2, 3, 4, AND 5 AS SHOWN HEREON ARE APPROVED FOR COMMUNITY WATER SUPPLY AND COMMUNITY SEWERAGE AND THEIR USE IS IN ACCORDANCE WITH THE TALBOT COUNTY COMPREHENSIVE WATER AND SEWER PLAN AND CODES OF MARYLAND REGULATORY DEPARTMENT.

LOTS 6 AND 7 AS SHOWN HEREON ARE CREATED FOR PUBLIC UTILITIES USE ONLY. THEY MAY NOT BE CONSIDERED FOR RESIDENTIAL, COMMERCIAL, OR INSTITUTIONAL DEVELOPMENT OR APPROVED FOR ANY HUMAN OCCUPATION OR DWELLING UNTIL SUCH TIME AS THE LOTS CAN BE SERVED BY COMMUNITY SEWER AND COMMUNITY WATER SUPPLIES.

PARCEL A AS SHOWN HEREON IS NOT LEGALLY ESTABLISHED UNDER COMAR 25.04.02 AND MAY NOT BE CONSIDERED FOR RESIDENTIAL, COMMERCIAL, OR INSTITUTIONAL DEVELOPMENT OR APPROVED FOR ANY HUMAN OCCUPATION OR DWELLING UNTIL SUCH TIME AS THE PARCEL IS SERVED BY COMMUNITY SEWER AND COMMUNITY WATER SUPPLIES. ANY DEVELOPMENT OF THIS PARCEL MUST BE CONSISTENT WITH ALL APPLICABLE STATE AND LOCAL CODES, REGULATIONS AND LAWS.

SWM PARCELS 4A, 4B, AND 5A AS SHOWN HEREON HAVE BEEN CREATED FOR THE SOLE PURPOSE OF CREATING STORM WATER MANAGEMENT FACILITIES AND ARE NOT APPROVED FOR COMMUNITY SEWER AND COMMUNITY WATER SUPPLIES.

TALBOT COUNTY APPROVING AUTHORITY \_\_\_\_\_ DATE \_\_\_\_\_

**LAND OWNER ACKNOWLEDGEMENTS & NOTATIONS:**

TALBOT COUNTY, MARYLAND, THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON, HEREBY ADOPTS THIS PLAN OF SUBDIVISION, AND HEREBY ACKNOWLEDGES THE FOLLOWING:

- A UTILITIES DISTURBANCE RIGHT-OF-WAY AND EASEMENT IS HEREBY DEDICATED TO THE TOWN OF EASTON IN AND OVER STRIPS OF LAND TEN (10) FEET IN WIDTH ALONG THOSE BOUNDARY LINES CONTIGUOUS TO ANY STREET OR ALLEY AND FIVE (5) FEET IN WIDTH ON EACH SIDE OF SIDE LOT LINES.
- THE TOWN OF EASTON PLANNING AND ZONING COMMISSION MAY WAIVE OR TERMINATE UPON RESUBDIVISION, SUCH UTILITY EASEMENT WHICH HAS NOT BEEN ACCEPTED BY USE THEREOF, UPON RECEIVING APPROVAL FROM THE TOWN ENGINEER, AND EASTON UTILITIES.
- PLANS FOR COMMUNITY WATER AND COMMUNITY SEWER HAVE BEEN REVIEWED AND APPROVED BY THE MARYLAND DEPARTMENT OF ENVIRONMENT AND WILL BE AVAILABLE TO ALL LOTS OFFERED FOR SALE.

WE, THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON, HEREBY ADOPT THIS PLAN OF SUBDIVISION.

CORREY W. FACK, PRESIDENT, TALBOT COUNTY COUNCIL \_\_\_\_\_ DATE \_\_\_\_\_

NOTARY STATEMENT  
THE OWNER HAS SHOWN TO AND SUBSCRIBED BEFORE ME THIS \_\_\_\_ DAY OF \_\_\_\_ 2014.

NOTARY \_\_\_\_\_

**AREA CALCULATIONS:**

**PARCEL 38**  
AREA TO BE DEDICATED TO SWA \_\_\_\_\_ 4,000 AC.  
AREA TO BE DEDICATED FOR ROAD WIDENING \_\_\_\_\_ 0.042 AC.  
AREA TO BE INCLUDED WITHIN PROPOSED LOT 2 \_\_\_\_\_ 0.013 AC.  
AREA OF REVISED PARCEL 38 \_\_\_\_\_ 38,699 AC.  
TOTAL AREA \_\_\_\_\_ 43,674 AC.

**PARCELS 75 & 129**  
AREA TO BE DEDICATED TO SWA \_\_\_\_\_ 73,350 AC.  
AREA TO BE DEDICATED FOR ROAD WIDENINGS \_\_\_\_\_ 3,675 AC.  
AREA OF LOTS/PARCELS \_\_\_\_\_ 208,458 AC.  
TOTAL AREA \_\_\_\_\_ 285,483 AC.

**TOTAL**  
AREA OF REVISED PARCEL 38 \_\_\_\_\_ 38,699 AC.  
AREA TO BE DEDICATED TO SWA \_\_\_\_\_ 22,965 AC.  
AREA RESERVED FOR ROAD WIDENINGS \_\_\_\_\_ 3,717 AC.  
AREA OF LOTS/PARCELS \_\_\_\_\_ 258,891 AC.  
TOTAL AREA \_\_\_\_\_ 276,182 AC.

**DEVELOPMENT RIGHTS SUMMARY:**

**PARCEL 75 (RH ZONE -4.3 DEVELOPMENT RIGHTS PER ACRE)**  
348 DEVELOPMENT RIGHTS PERMITTED  
8 DEVELOPMENT RIGHTS UTILIZED  
340 DEVELOPMENT RIGHTS REMAINING

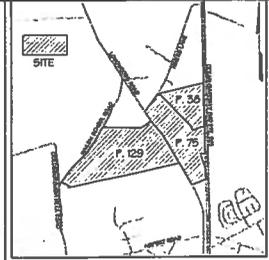
**PARCEL 129 (RH ZONE -4.3 DEVELOPMENT RIGHTS PER ACRE)**  
640 DEVELOPMENT RIGHTS PERMITTED  
2 DEVELOPMENT RIGHTS UTILIZED  
638 DEVELOPMENT RIGHTS REMAINING

**PARCEL 38 (R ZONE -1.05 DEVELOPMENT RIGHTS PER ACRE)**  
40 DEVELOPMENT RIGHTS PERMITTED  
3 DEVELOPMENT RIGHTS UTILIZED  
38 DEVELOPMENT RIGHTS REMAINING

**SURVEYOR STATEMENT:**

I, MICHAEL D. MARTIN, HEREBY CERTIFY THAT THE FINAL PLAN SHOWN HEREON IS CORRECT, IT IS A SUBDIVISION OF THE LANDS CONVEYED BY CLAUDE L. PARRIS AND CAROLE PARRIS (YOUNG) BY DEED DATED JANUARY 16, 2008 AND RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN LIBER 2097 FOLIO 343 AND THE LANDS CONVEYED BY TALBOT COUNTY, MARYLAND, A CHARTER COUNTY AND POLITICAL SUBDIVISION OF THE STATE OF MARYLAND, TO TALBOT COUNTY, MARYLAND, A CHARTER COUNTY AND POLITICAL SUBDIVISION OF THE STATE OF MARYLAND, BY A CONVEYATORY DEED DATED AUGUST 10, 2007 AND RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN LIBER 2085 FOLIO 150 AND THE LANDS CONVEYED BY METTIE MARIE JONES BY DEED DATED MARCH 25, 1977 AND RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN LIBER 540 FOLIO 336. I FURTHER CERTIFY THE REQUIREMENTS OF § 9-3-01, THE REAL PROPERTY ARTICLE, ANNOTATED CODE OF MARYLAND, 1986 REPLACEMENT VOLUME (AS SUPPLEMENTED) AS FAR AS THEY RELATE TO THE MAKING OF THIS PLAN AND THE SETTING OF MARKERS HAVE BEEN COMPLIED WITH.

*Michael D. Martin*  
MICHAEL D. MARTIN, PROFESSIONAL LAND SURVEYOR  
MARYLAND REGISTRATION NO. 32334, EXPIRATION DATE 01/31/2015  
DATE 10/10/14



VICINITY MAP  
Scale: 1"=2000'

**REVISIONS**

No.	DATE	DESCRIPTION	BY
1	10-3-12	TOWN COMMENTS	R.C.
2	12-20-12	TOWN COMMENTS	R.C.
3	3-21-13	TOWN COMMENTS	C.S.
4	8-9-13	COUNTY COMMENTS	R.T.
5	10-6-14	COUNTY COMMENTS	R.T.
6	10-7-14	TCHD COMMENTS	R.T.
7	10-9-14	COUNTY COMMENTS	D.M.

**DMW**  
DAFT MCCUNE WALKER INC.  
288 EAST PENNSYLVANIA TOWNSHIP, MD 21288  
P 410 288 3333 F 410 288 4705  
WWW.DMW.COM  
A TEAM OF LAND PLANNERS, LANDSCAPE ARCHITECTS, ENGINEERS, SURVEYORS & ENVIRONMENTAL PROFESSIONALS

NOT VALID FOR CONSTRUCTION UNLESS SIGNED AND DATED HERE.

GRAPHIC SCALE

SEAL  
TALBOT COUNTY, MARYLAND  
10/10/14

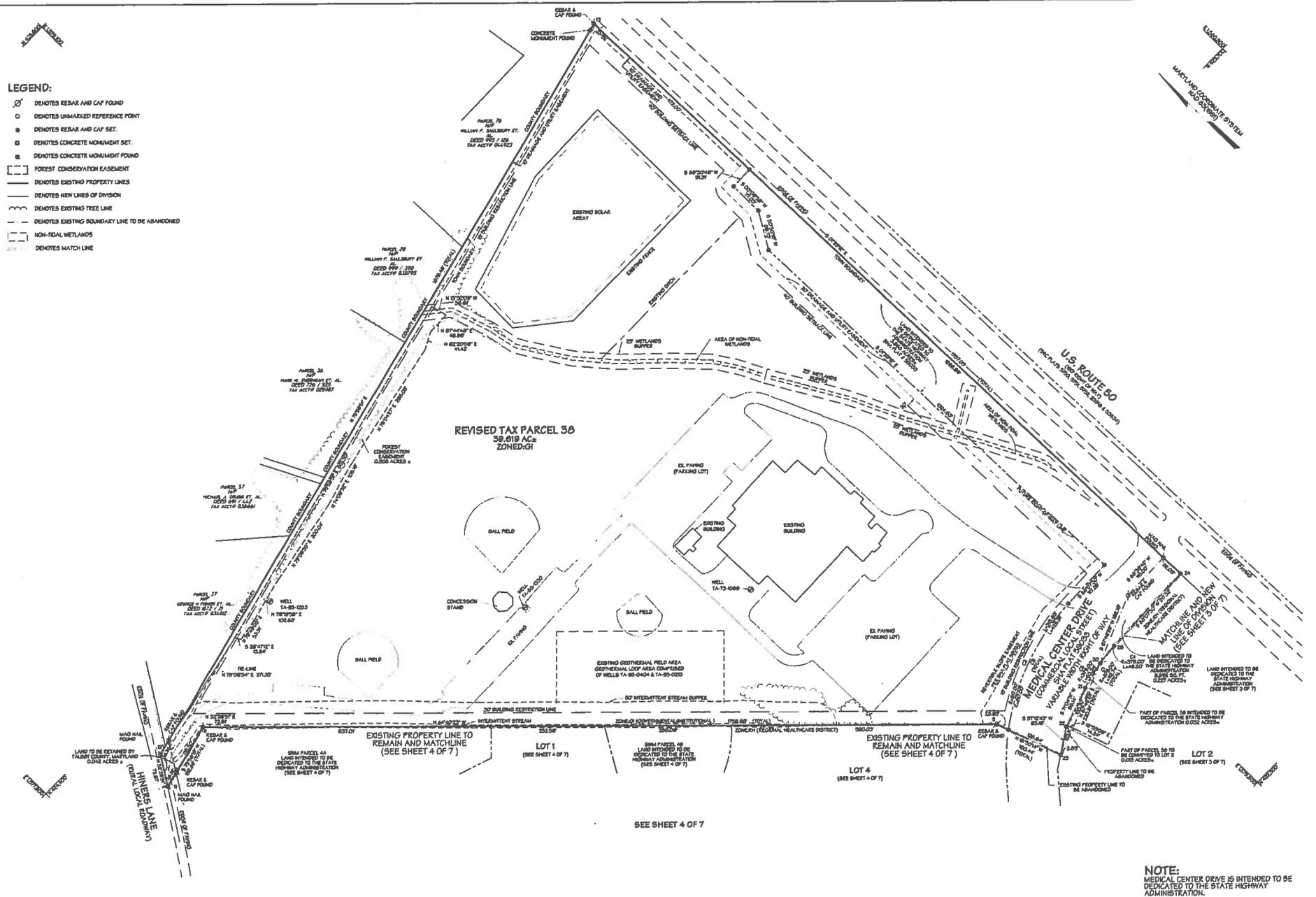
PLAT OF SUBDIVISION  
LOTS 1 THROUGH 7, PARCEL A, AND  
REVISED TAX PARCEL 38  
TALBOT COUNTY MARYLAND  
TAX MAP 17, GRID 23, PARCELS 129 & 75 & 38  
IN THE FIRST ELECTION DISTRICT  
TALBOT COUNTY, MARYLAND

ISSUED FOR:  
HEALTH PLAN REVIEW  
REVISED SKELETAL PLAN REVIEW  
CDM REVIEW  
FINAL PLAN REVIEW  
RECORDATION

DATE: 10/10/14

SHEET No. 1 OF 7  
JOB No. 050300  
SCALE 1"=400'  
DATE: 10-08-2014  
JOB No. 050300  
FILE No.

- LEGEND:**
- ⊗ DENOTES REBAR AND CAP FOUND
  - DENOTES UNMARKED REFERENCE POINT
  - DENOTES REBAR AND CAP SET
  - DENOTES CONCRETE MONUMENT SET
  - DENOTES CONCRETE MONUMENT FOUND
  - ▭ FOREST CONSERVATION EASEMENT
  - DENOTES EXISTING PROPERTY LINES
  - - - DENOTES NEW LINES OF DIVISION
  - ~ DENOTES EXISTING TREE LINE
  - - - DENOTES EXISTING BOUNDARY LINE TO BE ABANDONED
  - ▨ NON-TIDAL WETLANDS
  - DENOTES MATCH LINE



VICINITY MAP  
Scale: 1"=2000'

**REVISIONS**

No.	DATE	DESCRIPTION	BY
1	10-3-12	TOWN COMMENTS	R.C.
2	12-20-12	TOWN COMMENTS	R.C.
3	3-21-13	TOWN COMMENTS	C.S.
4	8-9-13	COUNTY COMMENTS	R.T.
5	10-6-14	COUNTY COMMENTS	R.T.

**DMW**  
DAFT MCCUNE WALKER INC  
200 EAST PENNSYLVANIA TOWNSHIP, MD 21286  
P: 410 288 2323 F: 410 288 4785  
WWW.DMW.COM

A TEAM OF LAND PLANNERS, LANDSCAPE ARCHITECTS, ENGINEERS, SURVEYORS & ENVIRONMENTAL PROFESSIONALS

NOT VALID FOR CONSTRUCTION UNLESS SIGNED AND DATED HERE.

GRAPHIC SCALE

SEAL

10/10/14

PLAT OF SUBDIVISION  
LOTS 1 THROUGH 7, PARCEL A, AND  
REVISED TAX PARCEL 36  
TALBOT COUNTY MARYLAND  
TAX MAP 17, GRID 23, PARCELS 129 & 75 & 36  
IN THE FIRST ELECTION DISTRICT  
TALBOT COUNTY, MARYLAND

ISSUED FOR: DATE: 10-08-2014

DRAWN BY: BSW  
CHECKED BY: BSW  
DESIGNED BY: BSW  
DATE: 10-08-2014

SHEET No. 2 OF 7 DATE: 10-08-2014  
JOB No. 08130  
SCALE: 1" = 100' FILE No.

**COORDINATE TABLE**

POINT	NORTH	EAST
1	425200.790	579445.601
2	425176.090	579262.200
3	424161.880	579200.281
4	424161.880	579200.281
5	424161.880	579200.281
6	424161.880	579200.281
7	424161.880	579200.281
8	424161.880	579200.281
9	424161.880	579200.281
10	424161.880	579200.281
11	424161.880	579200.281
12	424161.880	579200.281
13	424161.880	579200.281
14	424161.880	579200.281
15	424161.880	579200.281
16	424161.880	579200.281
17	424161.880	579200.281
18	424161.880	579200.281
19	424161.880	579200.281
20	424161.880	579200.281
21	424161.880	579200.281
22	424161.880	579200.281
23	424161.880	579200.281
24	424161.880	579200.281
25	424161.880	579200.281
26	424161.880	579200.281
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28	424161.880	579200.281
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40	424161.880	579200.281
41	424161.880	579200.281
42	424161.880	579200.281
43	424161.880	579200.281
44	424161.880	579200.281
45	424161.880	579200.281
46	424161.880	579200.281
47	424161.880	579200.281
48	424161.880	579200.281
49	424161.880	579200.281
50	424161.880	579200.281

**CURVE TABLE**

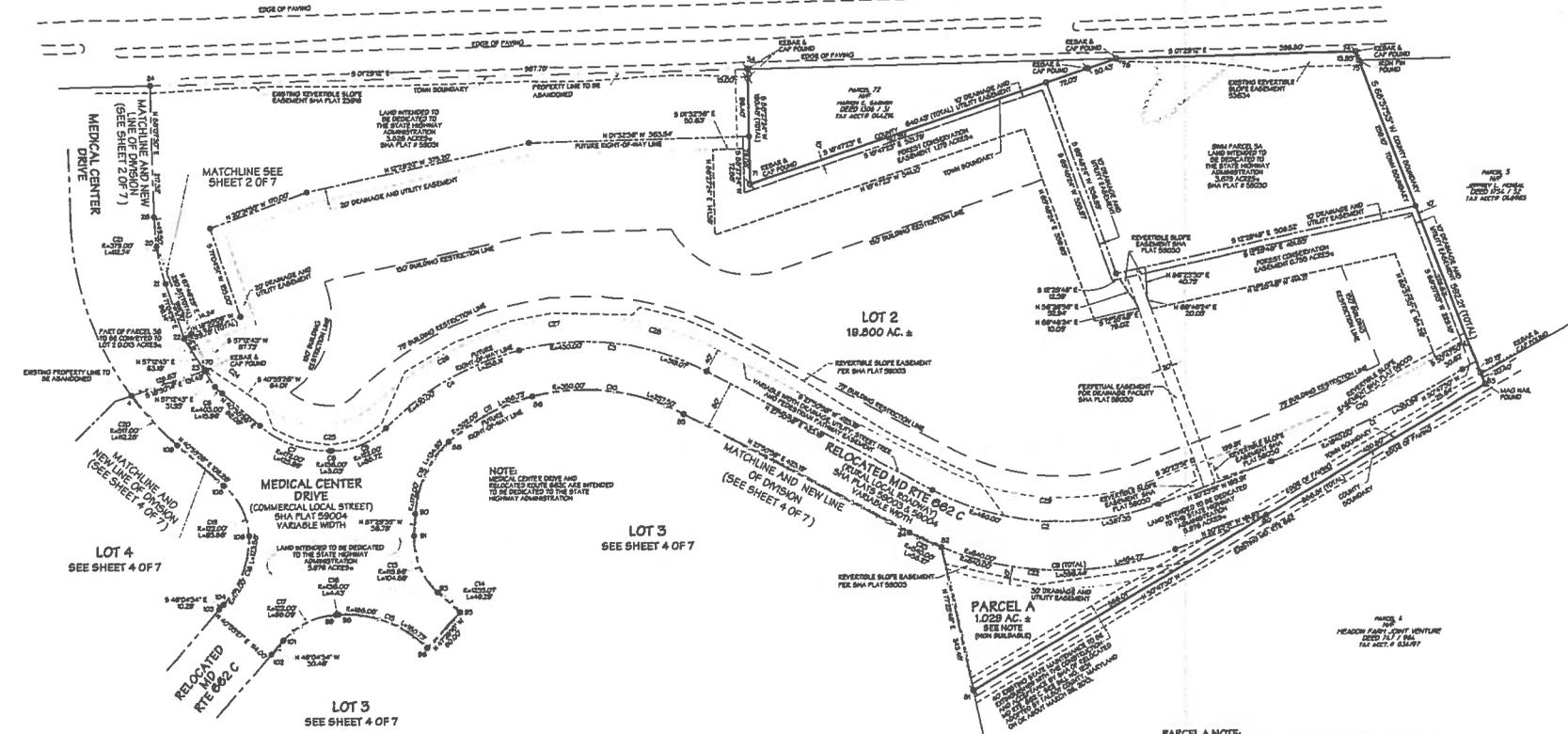
CURVE	BELLY ANGLE	CHORD	CHORD BEARING	CHORD BEARING	CHORD BEARING	CHORD BEARING
1	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
2	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
3	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
4	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
5	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
6	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
7	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
8	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
9	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
10	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
11	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
12	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
13	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
14	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
15	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
16	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
17	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
18	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
19	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
20	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
21	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
22	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
23	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
24	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
25	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
26	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
27	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
28	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
29	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
30	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
31	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
32	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
33	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
34	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
35	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
36	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
37	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
38	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
39	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
40	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
41	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
42	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
43	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
44	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
45	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
46	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
47	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
48	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
49	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°
50	100.000°	100.000'	100.000°	100.000°	100.000°	100.000°

**NOTE:**  
MEDICAL CENTER DRIVE IS INTENDED TO BE DEDICATED TO THE STATE HIGHWAY ADMINISTRATION.

15843300

MARYLAND COORDINATE SYSTEM  
NAD 83(1983)

U.S. ROUTE 50  
(SEE PLATS 8750, 8751, 8752, 8753 & 8754)



15843300

COORDINATE TABLE

CURVE TABLE

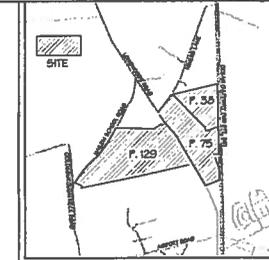
CHORD	DELTA ANGLE	CHORD BEARING	LENGTH	TANGENT
C1	17°32'39"	S 82°02'39" W	328.84	176.48
C2	48°14'52"	N 02°20'40" W	378.07	323.89
C3	42°50'51"	N 09°20'32" E	381.80	187.32
C4	3°17'57"	N 87°23'30" W	254.88	63.52
C5	48°17'39"	N 32°58'46" W	386.00	323.37
C6	1°06'34"	N 07°42'28" W	3.02	1.57
C7	41°08'04"	N 87°01'01" E	123.87	103.88
C8	7°01'00"	N 41°02'21" E	15.89	7.88
C9	80°14'52"	N 02°42'54" E	44.40	341.82
C10	42°29'46"	N 46°04'28" E	244.07	184.38
C11	28°14'52"	N 83°22'32" W	157.42	84.07
C12	44°19'46"	N 14°48'07" W	181.54	168.39
C13	85°02'21"	N 87°23'30" W	181.54	35.84
C14	37°14'52"	N 42°17'39" E	48.23	34.23
C15	43°27'39"	N 32°58'46" W	325.49	281.54
C16	1°06'34"	N 07°42'28" W	4.42	2.37
C17	48°14'52"	N 32°58'46" W	325.49	281.54
C18	41°08'04"	N 87°01'01" E	123.87	103.88
C19	42°29'46"	N 46°04'28" E	244.07	184.38
C20	28°14'52"	N 83°22'32" W	157.42	84.07
C21	44°19'46"	N 14°48'07" W	181.54	168.39
C22	85°02'21"	N 87°23'30" W	181.54	35.84
C23	37°14'52"	N 42°17'39" E	48.23	34.23
C24	43°27'39"	N 32°58'46" W	325.49	281.54
C25	1°06'34"	N 07°42'28" W	4.42	2.37
C26	48°14'52"	N 32°58'46" W	325.49	281.54
C27	41°08'04"	N 87°01'01" E	123.87	103.88
C28	42°29'46"	N 46°04'28" E	244.07	184.38
C29	28°14'52"	N 83°22'32" W	157.42	84.07
C30	44°19'46"	N 14°48'07" W	181.54	168.39

POINT	NORTH	EAST
1	429977.2448	877849.0295
2	429976.0251	877849.0295
3	429883.8851	877849.0295
4	429883.8851	877849.0295
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6	429883.8851	877849.0295
7	429883.8851	877849.0295
8	429883.8851	877849.0295
9	429883.8851	877849.0295
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39	429883.8851	877849.0295
40	429883.8851	877849.0295
41	429883.8851	877849.0295
42	429883.8851	877849.0295
43	429883.8851	877849.0295
44	429883.8851	877849.0295
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63	429883.8851	877849.0295
64	429883.8851	877849.0295
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95	429883.8851	877849.0295
96	429883.8851	877849.0295
97	429883.8851	877849.0295
98	429883.8851	877849.0295
99	429883.8851	877849.0295
100	429883.8851	877849.0295

**PARCEL A NOTE:**  
 PARCEL A AS PLATTED DOES NOT INCLUDE THE MINIMUM BUILDING ENVELOPE REQUIRED FOR A DEVELOPABLE LOT IN THE TOWN OF EASTON'S RD DISTRICT DISTRICT. THEREFORE, PARCEL A IS NOT DEVELOPABLE UNLESS AND UNTIL IT COMPLES WITH ALL APPLICABLE DEVELOPMENT STANDARDS. PARCEL A IS BEING CREATED AT THE REQUEST OF THE PROPERTY OWNER. THE PROPERTY OWNER ON BEHALF OF ITSELF AND ITS SUCCESSORS AND ASSIGNS FULLY ACKNOWLEDGES THE FACT THAT PARCEL A IS NOT DEVELOPABLE AS PLATTED AND PURCHES ACKNOWLEDGES THAT THIS CONDITION DOES NOT CONSTITUTE A HANDSHIP FOR WHICH THE PROPERTY OWNER COULD RECEIVE RELIEF FROM THE TOWN OF EASTON'S LAND USE REGULATIONS. PARCEL A IS ALSO SUBJECT TO A DECLARATION OF RESTRICTIVE COVENANTS RECORDED ON MAY 15, 2008 AMONG THE LAND RECORD OF TALBOT COUNTY, MARYLAND IN CASE 2008-04.

**PARCEL A AS SHOWN HEREON IS NOT LEGALLY ESTABLISHED UNDER COMAR 26.04.02 AND MAY NOT BE CONSIDERED FOR RESIDENTIAL, COMMERCIAL, OR INDUSTRIAL DEVELOPMENT OR APPROVED FOR ANY HUMAN OCCUPATION OR DWELLING UNTIL SUCH TIME AS THE PARCEL IS SERVED BY COMMUNITY SEWER AND COMMUNITY WATER SUPPLIES. ANY DEVELOPMENT OF THIS PARCEL MUST BE CONSISTENT WITH ALL APPLICABLE STATE AND LOCAL CODES, REGULATIONS AND LAWS.**

- LEGEND:**
- DENOTES REBAR AND CAP FOUND
  - DENOTES UNARMED REFERENCE POINT
  - DENOTES REBAR AND CAP SET
  - DENOTES CONCRETE MONUMENT SET
  - DENOTES CONCRETE MONUMENT FOUND
  - FORESTRY EASEMENT EASEMENT
  - DENOTES EXISTING PROPERTY LINES
  - DENOTES NEW LINES OF DIVISION
  - DENOTES EXISTING TREE LINE
  - DENOTES EXISTING BOUNDARY LINE TO BE ABANDONED
  - NON-IDEAL WETLANDS
  - DENOTES MATCH LINE



VICINITY MAP

Scale: 1"=2000'

REVISIONS

No.	DATE	DESCRIPTION	BY
1	10-3-12	TOWN COMMENTS	R.C.
2	12-20-12	TOWN COMMENTS	R.C.
3	3-21-13	TOWN COMMENTS	C.S.
4	8-9-13	COUNTY COMMENTS	R.T.
5	10-6-14	COUNTY COMMENTS	R.T.
6	10-7-14	TCHD COMMENTS	R.T.

**DMW**  
 DAFT MCCUNE WALKER INC  
 286 EAST PENNSYLVANIA TOWNSHIP, MD 21286  
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 WWW.DMW.COM

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NOT VALID FOR CONSTRUCTION UNLESS SIGNED AND DATED HERE.



GRAPHIC SCALE

SEAL

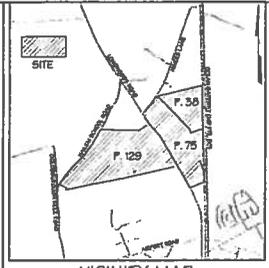
*William P. ...* 10/10/14

**PLAT OF SUBDIVISION**  
 LOTS 1 THROUGH 7, PARCEL A, AND  
 REVISED TAX PARCEL 3B  
 TALBOT COUNTY MARYLAND  
 TAX MAP 17, GRID 28, PARCELS 129 & 75 & 38  
 IN THE FIRST ELECTION DISTRICT  
 TALBOT COUNTY, MARYLAND

ISSUED FOR:  
 SETBACK PLAN REVIEW  
 DEVELOPED MATCH PLAN REVIEW  
 CON REVIEW  
 FINAL PLAN REVIEW  
 REZZONATION

DATE: 07/10/2014

SHEET No. 3 OF 7  
 JOB No. 080055  
 SCALE: 1" = 100'  
 FILE No.



VICINITY MAP  
Scale: 1"=2000"

REVISIONS

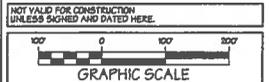
No.	DATE	DESCRIPTION	BY
1	10-3-12	TOWN COMMENTS	R.C.
2	12-20-12	TOWN COMMENTS	R.C.
3	3-21-13	TOWN COMMENTS	C.S.
4	8-9-13	COUNTY COMMENTS	R.T.
5	10-6-14	COUNTY COMMENTS	R.T.
6	10-7-14	TCHD COMMENTS	R.T.
7	10-9-14	COUNTY COMMENTS	D.M.
8	10-10-14	COUNTY COMMENTS	D.M.

REVISIONS

No.	DATE	DESCRIPTION	BY
1	10-3-12	TOWN COMMENTS	R.C.
2	12-20-12	TOWN COMMENTS	R.C.
3	3-21-13	TOWN COMMENTS	C.S.
4	8-9-13	COUNTY COMMENTS	R.T.
5	10-6-14	COUNTY COMMENTS	R.T.
6	10-7-14	TCHD COMMENTS	R.T.
7	10-9-14	COUNTY COMMENTS	D.M.
8	10-10-14	COUNTY COMMENTS	D.M.

NOT VALID FOR CONSTRUCTION UNLESS SIGNED AND DATED HERE.

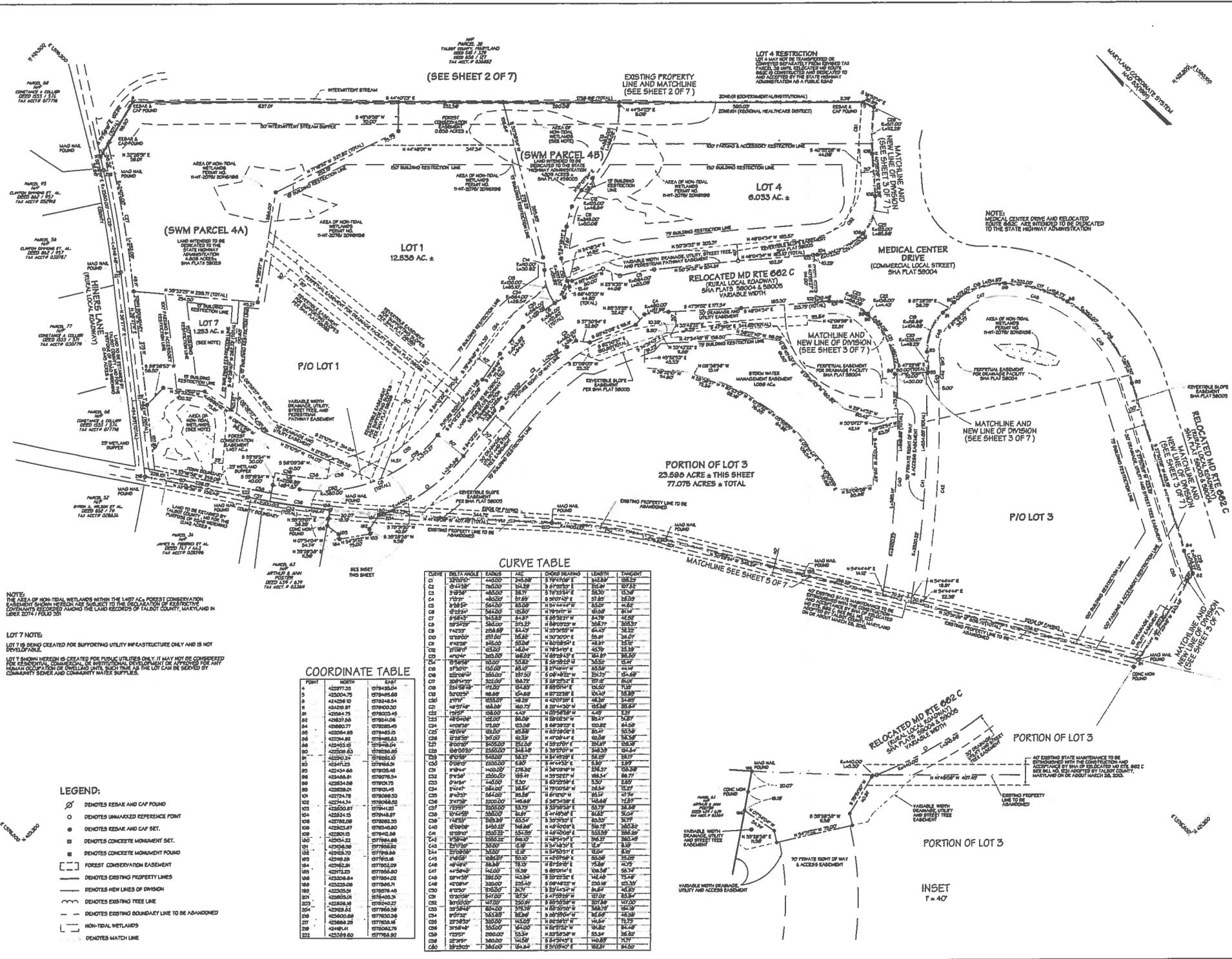
**DMW**  
DAFT MCCUNE WALKER INC  
306 EAST PENNSYLVANIA TOWNSHIP, MD 21286  
P: 410 283 3333 F: 410 283 8763  
WWW.DMW.COM  
A TEAM OF LAND PLANNERS, LANDSCAPE ARCHITECTS, ENGINEERS, SURVEYORS & ENVIRONMENTAL PROFESSIONALS



SEAL

PLAT OF SUBDIVISION  
LOTS 1 THROUGH 7, PARCEL A, AND  
REVISED TAX PARCEL 3B  
TALBOT COUNTY MARYLAND  
TAX MAP 17, GRID 23, PARCELS 129 & 75 & 39  
IN THE FIRST ELECTION DISTRICT  
TALBOT COUNTY, MARYLAND

DESIGNED FOR: [ ] DATE: [ ]  
CHECKED BY: [ ]  
CONVERTED BY: [ ]  
DATE: [ ]  
FILE NO.: [ ]



CURVE TABLE

CURVE	DELTA ANGLE	CHORD	CHORD BEARING	LENGTH	ARC CHORD
C1	30.000°	440.00	S 78°17'00" E	342.84	108.29
C2	30.000°	740.00	S 47°02'51" E	550.40	197.60
C3	30.000°	480.00	S 71°27'51" E	370.00	135.00
C4	75.000°	480.00	S 04°34'51" E	378.87	132.13
C5	30.000°	340.00	S 52°30'00" E	263.82	86.18
C6	30.000°	340.00	N 17°00'00" W	263.82	86.18
C7	30.000°	340.00	S 00°00'00" E	263.82	86.18
C8	30.000°	340.00	N 00°00'00" W	263.82	86.18
C9	30.000°	340.00	N 00°00'00" W	263.82	86.18
C10	30.000°	340.00	N 00°00'00" W	263.82	86.18
C11	30.000°	340.00	N 00°00'00" W	263.82	86.18
C12	30.000°	340.00	N 00°00'00" W	263.82	86.18
C13	30.000°	340.00	N 00°00'00" W	263.82	86.18
C14	30.000°	340.00	N 00°00'00" W	263.82	86.18
C15	30.000°	340.00	N 00°00'00" W	263.82	86.18
C16	30.000°	340.00	N 00°00'00" W	263.82	86.18
C17	30.000°	340.00	N 00°00'00" W	263.82	86.18
C18	30.000°	340.00	N 00°00'00" W	263.82	86.18
C19	30.000°	340.00	N 00°00'00" W	263.82	86.18
C20	30.000°	340.00	N 00°00'00" W	263.82	86.18
C21	30.000°	340.00	N 00°00'00" W	263.82	86.18
C22	30.000°	340.00	N 00°00'00" W	263.82	86.18
C23	30.000°	340.00	N 00°00'00" W	263.82	86.18
C24	30.000°	340.00	N 00°00'00" W	263.82	86.18
C25	30.000°	340.00	N 00°00'00" W	263.82	86.18
C26	30.000°	340.00	N 00°00'00" W	263.82	86.18
C27	30.000°	340.00	N 00°00'00" W	263.82	86.18
C28	30.000°	340.00	N 00°00'00" W	263.82	86.18
C29	30.000°	340.00	N 00°00'00" W	263.82	86.18
C30	30.000°	340.00	N 00°00'00" W	263.82	86.18
C31	30.000°	340.00	N 00°00'00" W	263.82	86.18
C32	30.000°	340.00	N 00°00'00" W	263.82	86.18
C33	30.000°	340.00	N 00°00'00" W	263.82	86.18
C34	30.000°	340.00	N 00°00'00" W	263.82	86.18
C35	30.000°	340.00	N 00°00'00" W	263.82	86.18
C36	30.000°	340.00	N 00°00'00" W	263.82	86.18
C37	30.000°	340.00	N 00°00'00" W	263.82	86.18
C38	30.000°	340.00	N 00°00'00" W	263.82	86.18
C39	30.000°	340.00	N 00°00'00" W	263.82	86.18
C40	30.000°	340.00	N 00°00'00" W	263.82	86.18
C41	30.000°	340.00	N 00°00'00" W	263.82	86.18
C42	30.000°	340.00	N 00°00'00" W	263.82	86.18
C43	30.000°	340.00	N 00°00'00" W	263.82	86.18
C44	30.000°	340.00	N 00°00'00" W	263.82	86.18
C45	30.000°	340.00	N 00°00'00" W	263.82	86.18
C46	30.000°	340.00	N 00°00'00" W	263.82	86.18
C47	30.000°	340.00	N 00°00'00" W	263.82	86.18
C48	30.000°	340.00	N 00°00'00" W	263.82	86.18
C49	30.000°	340.00	N 00°00'00" W	263.82	86.18
C50	30.000°	340.00	N 00°00'00" W	263.82	86.18
C51	30.000°	340.00	N 00°00'00" W	263.82	86.18
C52	30.000°	340.00	N 00°00'00" W	263.82	86.18
C53	30.000°	340.00	N 00°00'00" W	263.82	86.18
C54	30.000°	340.00	N 00°00'00" W	263.82	86.18
C55	30.000°	340.00	N 00°00'00" W	263.82	86.18
C56	30.000°	340.00	N 00°00'00" W	263.82	86.18
C57	30.000°	340.00	N 00°00'00" W	263.82	86.18
C58	30.000°	340.00	N 00°00'00" W	263.82	86.18
C59	30.000°	340.00	N 00°00'00" W	263.82	86.18
C60	30.000°	340.00	N 00°00'00" W	263.82	86.18

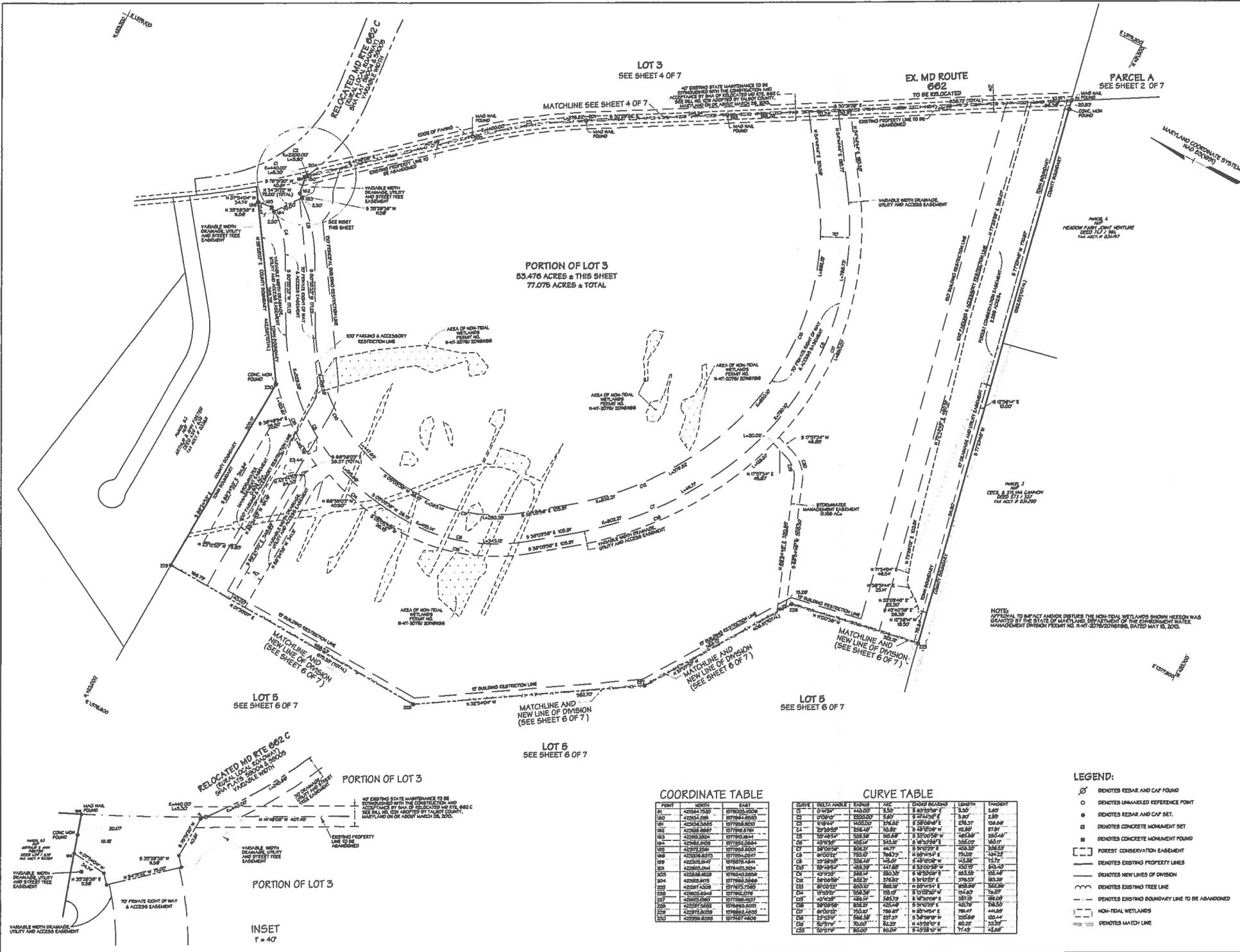
COORDINATE TABLE

POINT	NORTH	EAST
1	42377.91	977948.59
2	42300.75	977948.69
3	41428.10	977948.54
4	41428.87	977948.59
5	42084.75	9779203.49
6	42080.78	9779204.00
7	42080.77	9779204.00
8	42084.88	977948.54
9	42084.88	977948.54
10	42084.88	977948.54
11	42084.88	977948.54
12	42084.88	977948.54
13	42084.88	977948.54
14	42084.88	977948.54
15	42084.88	977948.54
16	42084.88	977948.54
17	42084.88	977948.54
18	42084.88	977948.54
19	42084.88	977948.54
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27	42084.88	977948.54
28	42084.88	977948.54
29	42084.88	977948.54
30	42084.88	977948.54
31	42084.88	977948.54
32	42084.88	977948.54
33	42084.88	977948.54
34	42084.88	977948.54
35	42084.88	977948.54
36	42084.88	977948.54
37	42084.88	977948.54
38	42084.88	977948.54
39	42084.88	977948.54
40	42084.88	977948.54
41	42084.88	977948.54
42	42084.88	977948.54
43	42084.88	977948.54
44	42084.88	977948.54
45	42084.88	977948.54
46	42084.88	977948.54
47	42084.88	977948.54
48	42084.88	977948.54
49	42084.88	977948.54
50	42084.88	977948.54
51	42084.88	977948.54
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62	42084.88	977948.54
63	42084.88	977948.54
64	42084.88	977948.54
65	42084.88	977948.54
66	42084.88	977948.54
67	42084.88	977948.54
68	42084.88	977948.54
69	42084.88	977948.54
70	42084.88	977948.54
71	42084.88	977948.54
72	42084.88	977948.54
73	42084.88	977948.54
74	42084.88	977948.54
75	42084.88	977948.54
76	42084.88	977948.54
77	42084.88	977948.54
78	42084.88	977948.54
79	42084.88	977948.54
80	42084.88	977948.54

NOTE: THE AREA OF NON-TIDAL WETLANDS WITHIN THE 1407 AC. FOREST CONSERVATION EASEMENT SHOWN HEREON ARE SUBJECT TO THE PROVISIONS OF RESTRICTIVE COVENANTS RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN BOOK 2074 FOLIO 251.

LOT 7 NOTE:  
LOT 7 IS BEING CREATED FOR SUPPORTING UTILITY INFRASTRUCTURE ONLY AND IS NOT DEVELOPABLE.  
LOT 7 SHOWN HEREON IS CREATED FOR PUBLIC UTILITIES ONLY. IT MAY NOT BE CONSIDERED FOR RESIDENTIAL DEVELOPMENT OR SUBJECT TO THE PROVISIONS OF RESTRICTIVE COVENANTS RECORDED AMONG THE LAND RECORDS OF TALBOT COUNTY, MARYLAND IN BOOK 2074 FOLIO 251.

LEGEND:  
○ DENOTES REBAR AND CAP FOUND  
○ DENOTES UNMARKED REFERENCE POINT  
○ DENOTES REBAR AND CAP SET.  
○ DENOTES CONCRETE MONUMENT POINT.  
■ DENOTES CONCRETE MONUMENT FOUND  
--- FOREST CONSERVATION EASEMENT  
--- DENOTES EXISTING PROPERTY LINES  
--- DENOTES NEW LINE OF DIVISION  
--- DENOTES EXISTING TREE LINE  
--- DENOTES EXISTING BOUNDARY LINE TO BE ABANDONED  
--- NON-TIDAL WETLANDS  
--- DENOTES MATCH LINE



VICINITY MAP  
Scale: 1"=2000'

REVISIONS

No.	DATE	DESCRIPTION	BY
1	10-3-12	TOWN COMMENTS	R.C.
2	12-20-12	TOWN COMMENTS	R.C.
3	3-21-13	TOWN COMMENTS	C.S.
4	9-9-13	COUNTY COMMENTS	R.T.
5	10-6-14	COUNTY COMMENTS	D.M.
6	10-9-14	COUNTY COMMENTS	D.M.
7	10-10-14	COUNTY COMMENTS	D.M.

NOTES

APPROVAL TO IMPACT AND/OR DISTURB THE NON-TIDAL WETLANDS SHOWN HEREON WAS GRANTED BY THE STATE OF MARYLAND, DEPARTMENT OF THE ENVIRONMENT WATER MANAGEMENT DIVISION PERMIT NO. 11-NT-20761-2076188, DATED MAY 15, 2011.

**DMW**  
DAFT MCCUNE WALKER INC  
200 EAST PENNSYLVANIA TOWSON, MD 21286  
P 410 288 2332 F 410 288 4188  
WWW.DMW.COM

A TEAM OF LAND PLANNERS, LANDSCAPE ARCHITECTS, ENGINEERS, SURVEYORS & ENVIRONMENTAL PROFESSIONALS

NOT VALID FOR CONSTRUCTION UNLESS SIGNED AND DATED HERE.

100 0 100 200  
GRAPHIC SCALE

SEAL

PLAT OF SUBDIVISION  
LOTS 1 THROUGH 7, PARCEL A, AND  
REBUILT TAX PARCEL 38  
TALBOT COUNTY MARYLAND  
TAX MAP 17, GRID 23, PARCELS 129 & 75 & 30  
IN THE FIRST ELECTION DISTRICT  
TALBOT COUNTY, MARYLAND

DESIGNED FOR: DATE: 01/11  
DESIGNED BY: DATE: 01/11  
CHECKED BY: DATE: 01/11  
DRAWN BY: DATE: 01/11  
SCALE: 1"=100'

COORDINATE TABLE

POINT	NORTH	EAST
01	42954.7030	87780.2529
02	42954.298	87784.4805
03	42954.8489	87780.4805
04	42954.8489	87778.2781
05	42954.298	87778.2781
06	42954.8489	87776.2844
07	42954.8489	87776.2844
08	42954.298	87776.2844
09	42954.8489	87776.2844
10	42954.8489	87776.2844
11	42954.8489	87776.2844
12	42954.8489	87776.2844
13	42954.8489	87776.2844
14	42954.8489	87776.2844
15	42954.8489	87776.2844
16	42954.8489	87776.2844
17	42954.8489	87776.2844
18	42954.8489	87776.2844
19	42954.8489	87776.2844
20	42954.8489	87776.2844
21	42954.8489	87776.2844
22	42954.8489	87776.2844
23	42954.8489	87776.2844
24	42954.8489	87776.2844
25	42954.8489	87776.2844
26	42954.8489	87776.2844
27	42954.8489	87776.2844
28	42954.8489	87776.2844
29	42954.8489	87776.2844
30	42954.8489	87776.2844

CURVE TABLE

CHORD	BELLA WALKER	ANGLE	PIE	CHORD BEZEL	LENGTH	WIDTH
01	0.0000	44.00	0.00	0.0000	0.00	0.00
02	0.0000	200.00	0.00	0.0000	0.00	0.00
03	0.0000	140.00	0.00	0.0000	0.00	0.00
04	0.0000	200.00	0.00	0.0000	0.00	0.00
05	0.0000	200.00	0.00	0.0000	0.00	0.00
06	0.0000	200.00	0.00	0.0000	0.00	0.00
07	0.0000	200.00	0.00	0.0000	0.00	0.00
08	0.0000	200.00	0.00	0.0000	0.00	0.00
09	0.0000	200.00	0.00	0.0000	0.00	0.00
10	0.0000	200.00	0.00	0.0000	0.00	0.00
11	0.0000	200.00	0.00	0.0000	0.00	0.00
12	0.0000	200.00	0.00	0.0000	0.00	0.00
13	0.0000	200.00	0.00	0.0000	0.00	0.00
14	0.0000	200.00	0.00	0.0000	0.00	0.00
15	0.0000	200.00	0.00	0.0000	0.00	0.00
16	0.0000	200.00	0.00	0.0000	0.00	0.00
17	0.0000	200.00	0.00	0.0000	0.00	0.00
18	0.0000	200.00	0.00	0.0000	0.00	0.00
19	0.0000	200.00	0.00	0.0000	0.00	0.00
20	0.0000	200.00	0.00	0.0000	0.00	0.00
21	0.0000	200.00	0.00	0.0000	0.00	0.00
22	0.0000	200.00	0.00	0.0000	0.00	0.00
23	0.0000	200.00	0.00	0.0000	0.00	0.00
24	0.0000	200.00	0.00	0.0000	0.00	0.00
25	0.0000	200.00	0.00	0.0000	0.00	0.00
26	0.0000	200.00	0.00	0.0000	0.00	0.00
27	0.0000	200.00	0.00	0.0000	0.00	0.00
28	0.0000	200.00	0.00	0.0000	0.00	0.00
29	0.0000	200.00	0.00	0.0000	0.00	0.00
30	0.0000	200.00	0.00	0.0000	0.00	0.00

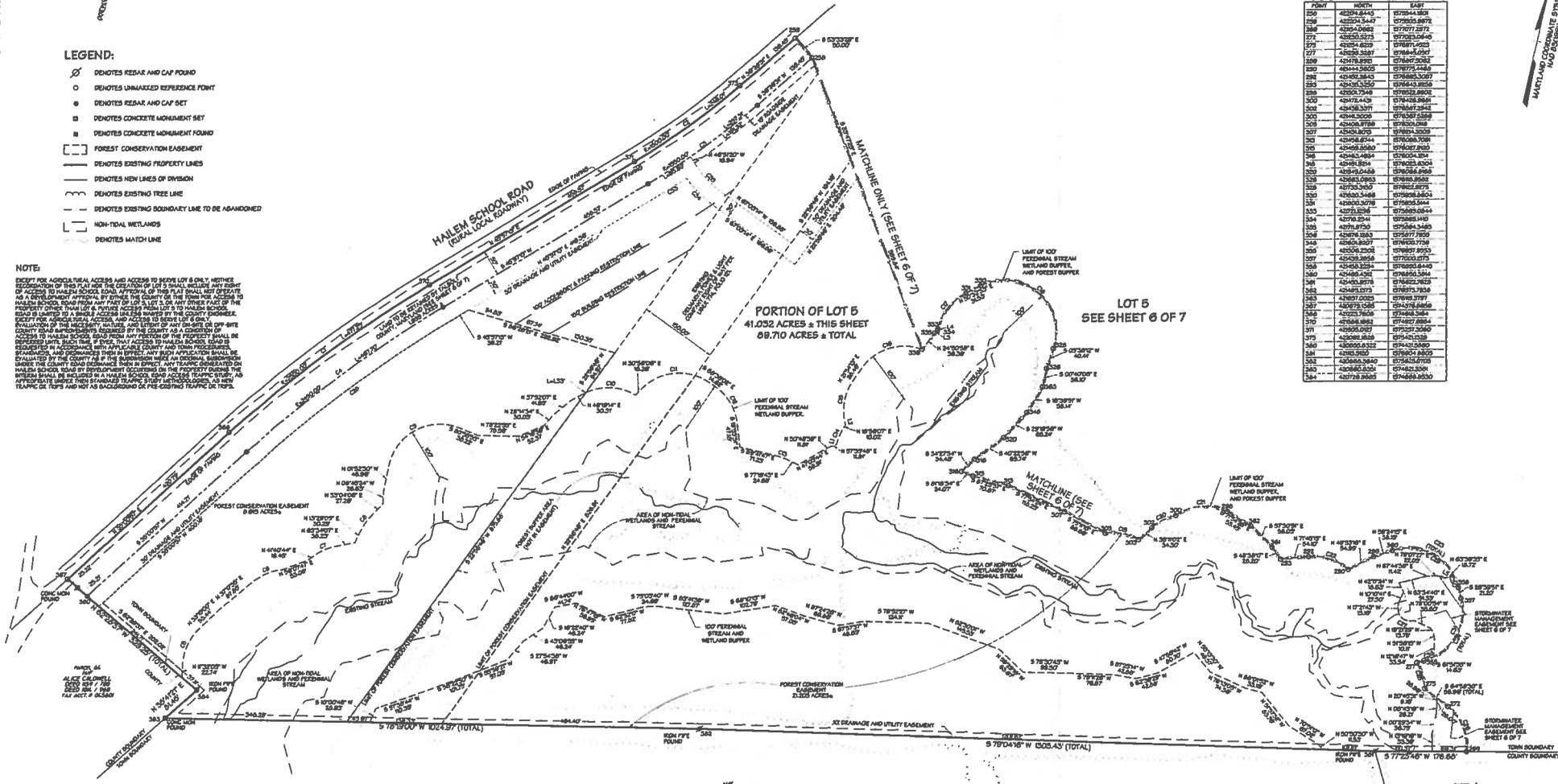
LEGEND:

- DENOTES REBAR AND CAP FOUND
- DENOTES UNMARKED REFERENCE POINT
- DENOTES REBAR AND CAP SET.
- DENOTES CONCRETE MONUMENT SET
- DENOTES CONCRETE MONUMENT FOUND
- ▭ FOREST CONSERVATION EASEMENT
- DENOTES EXISTING PROPERTY LINES
- DENOTES NEW LINES OF DIVISION
- DENOTES EXISTING TREE LINE
- DENOTES EXISTING BOUNDARY LINE TO BE ABANDONED
- NON-TIDAL WETLANDS
- DENOTES MATCH LINE



- LEGEND:**
- ⊙ DENOTES REBAR AND CAP POINT
  - DENOTES UNMARKED REFERENCE POINT
  - DENOTES REBAR AND CAP SET
  - DENOTES CONCRETE MONUMENT SET
  - ▣ DENOTES CONCRETE MONUMENT FOUND
  - ▭ DENOTES FOREST CONSERVATION EASEMENT
  - ▭ DENOTES EXISTING PROPERTY LINES
  - ▭ DENOTES NEW LINES OF DIVISION
  - ▭ DENOTES EXISTING TREE LINE
  - ▭ DENOTES EXISTING BOUNDARY LINE TO BE ABANDONED
  - ▭ NON-TIDAL WETLANDS
  - ▭ DENOTES MATCH LINE

**NOTE:**  
 EASEMENT FOR AGRICULTURAL ACCESS AND ACCESS TO HIGHWAY 6 & 11, WITH THE RECONSTRUCTION OF THIS ROAD THE CREATION OF LOT 5 SHALL INCLUDE ANY RIGHT OF ACCESS TO HALLEM SCHOOL ROAD. APPROVAL OF THIS PLAN SHALL REST UPON THE AS A DEVELOPMENT APPROVAL BY THE COUNTY OF THE TOWN FOR ACCESS TO HALLEM SCHOOL ROAD FROM ANY PART OF LOT 5, LOT 6 OR ANY STREET FACT OF THE PROPERTY OTHER THAN LOT 6. FUTURE ACCESS FROM LOT 5 TO HALLEM SCHOOL ROAD IS LIMITED TO A SINGLE ACCESS AND IS TO BE OWNED BY THE COUNTY PROPRIETOR. EASEMENT FOR AGRICULTURAL ACCESS AND ACCESS TO HIGHWAY 6 & 11, WITH THE RECONSTRUCTION OF THIS ROAD FROM ANY PART OF THE PROPERTY SHALL BE RECONSTRUCTED WITHIN SIX (6) MONTHS OF THE DATE OF THE RECONSTRUCTION OF THIS ROAD IN ACCORDANCE WITH APPLICABLE COUNTY AND TOWN PROCEDURES. EASEMENT FOR AGRICULTURAL ACCESS AND ACCESS TO HIGHWAY 6 & 11, WITH THE RECONSTRUCTION OF THIS ROAD FROM ANY PART OF THE PROPERTY SHALL BE RECONSTRUCTED WITHIN SIX (6) MONTHS OF THE DATE OF THE RECONSTRUCTION OF THIS ROAD IN ACCORDANCE WITH APPLICABLE COUNTY AND TOWN PROCEDURES. EASEMENT FOR AGRICULTURAL ACCESS AND ACCESS TO HIGHWAY 6 & 11, WITH THE RECONSTRUCTION OF THIS ROAD FROM ANY PART OF THE PROPERTY SHALL BE RECONSTRUCTED WITHIN SIX (6) MONTHS OF THE DATE OF THE RECONSTRUCTION OF THIS ROAD IN ACCORDANCE WITH APPLICABLE COUNTY AND TOWN PROCEDURES. EASEMENT FOR AGRICULTURAL ACCESS AND ACCESS TO HIGHWAY 6 & 11, WITH THE RECONSTRUCTION OF THIS ROAD FROM ANY PART OF THE PROPERTY SHALL BE RECONSTRUCTED WITHIN SIX (6) MONTHS OF THE DATE OF THE RECONSTRUCTION OF THIS ROAD IN ACCORDANCE WITH APPLICABLE COUNTY AND TOWN PROCEDURES.



**COORDINATE TABLE**

POINT	NORTH	EAST
250	422294.6443	177084.8923
251	422294.5447	177085.8976
252	422294.2468	177077.2772
253	422293.5273	177070.0440
254	422292.8223	177061.1423
255	422292.1227	177050.2927
256	422291.4277	177037.9223
257	422290.7327	177024.5423
258	422290.0377	177010.5623
259	422289.3427	177000.2923
260	422288.6477	176993.2923
261	422287.9527	176989.0423
262	422287.2577	176987.2923
263	422286.5627	176987.5423
264	422285.8677	176989.2923
265	422285.1727	176992.0423
266	422284.4777	176996.2923
267	422283.7827	176999.5423
268	422283.0877	176999.2923
269	422282.3927	176994.0423
270	422281.6977	176984.2923
271	422281.0027	176970.5423
272	422280.3077	176953.2923
273	422279.6127	176933.0423
274	422278.9177	176910.2923
275	422278.2227	176885.5423
276	422277.5277	176859.2923
277	422276.8327	176832.0423
278	422276.1377	176804.2923
279	422275.4427	176776.5423
280	422274.7477	176749.2923
281	422274.0527	176723.0423
282	422273.3577	176700.2923
283	422272.6627	176681.5423
284	422271.9677	176667.2923
285	422271.2727	176657.0423
286	422270.5777	176650.2923
287	422269.8827	176647.5423
288	422269.1877	176648.2923
289	422268.4927	176652.0423
290	422267.7977	176658.2923
291	422267.1027	176666.5423
292	422266.4077	176676.2923
293	422265.7127	176687.0423
294	422265.0177	176698.2923
295	422264.3227	176709.5423
296	422263.6277	176721.2923
297	422262.9327	176733.0423
298	422262.2377	176745.2923
299	422261.5427	176757.5423
300	422260.8477	176770.2923
301	422260.1527	176783.0423
302	422259.4577	176795.2923
303	422258.7627	176807.5423
304	422258.0677	176819.2923
305	422257.3727	176830.0423
306	422256.6777	176840.2923
307	422255.9827	176849.5423
308	422255.2877	176857.2923
309	422254.5927	176863.0423
310	422253.8977	176866.2923
311	422253.2027	176867.5423
312	422252.5077	176866.2923
313	422251.8127	176862.0423
314	422251.1177	176854.2923
315	422250.4227	176843.5423
316	422249.7277	176830.2923
317	422249.0327	176814.0423
318	422248.3377	176800.2923
319	422247.6427	176788.5423
320	422246.9477	176779.2923
321	422246.2527	176772.0423
322	422245.5577	176767.2923
323	422244.8627	176764.5423
324	422244.1677	176763.2923
325	422243.4727	176763.0423
326	422242.7777	176763.2923
327	422242.0827	176764.0423
328	422241.3877	176765.2923
329	422240.6927	176767.0423
330	422240.0000	176769.2923

**CURVE TABLE**

CURVE	DELTA ANGLE	CHORD	ARC	CHORD BEARING	LENGTH	PERCENT
C1	0°00'00"	250.000	277.29	N 0°00'00" E	478.52	246.39
C2	0°00'00"	000.000	264.01	N 0°00'00" E	244.72	124.99
C3	0°00'00"	000.000	237.31	S 4°17'32" W	237.02	124.85
C4	0°00'00"	000.000	487.70	S 40°29'22" W	487.00	234.37
C5	0°00'00"	000.000	78.49	N 0°00'00" E	41.27	41.27
C6	34°22'48"	000.00	80.00	N 59°37'12" E	58.19	35.89
C7	39°29'24"	000.00	4.20	N 50°30'36" E	43.38	23.89
C8	18°29'24"	000.00	24.10	N 22°40'36" E	24.07	17.38
C9	0°00'00"	000.00	178.89	N 48°20'00" E	174.28	123.89
C10	0°00'00"	000.00	100.00	N 0°00'00" E	84.37	24.89
C11	80°29'24"	000.00	140.29	N 7°00'36" E	128.11	64.03
C12	48°40'00"	000.00	80.00	S 41°40'00" E	82.29	45.32
C13	18°29'24"	000.00	21.29	S 62°30'36" E	21.94	12.87
C14	18°29'24"	000.00	23.27	N 71°40'36" E	23.00	12.87
C15	27°29'24"	000.00	100.00	N 62°30'36" E	92.19	45.89
C16	78°14'24"	000.00	151.52	N 38°29'24" E	122.09	77.07
C17	54°40'00"	000.00	95.07	N 34°40'00" E	97.18	44.42
C18	0°00'00"	000.00	224.29	S 0°00'00" E	184.64	24.89
C19	38°29'24"	000.00	87.89	N 51°30'36" E	84.59	35.29
C20	39°29'24"	000.00	59.27	N 50°30'36" E	58.07	28.09
C21	80°29'24"	000.00	100.00	N 7°00'36" E	100.29	58.04
C22	0°00'00"	000.00	88.89	S 88°20'00" E	80.39	43.07
C23	80°29'24"	000.00	83.39	N 7°00'36" E	144.19	101.17
C24	80°29'24"	000.00	84.39	S 0°00'00" E	126.59	87.04
C25	30°29'24"	000.00	82.52	S 30°29'24" E	51.82	28.89
C26	80°29'24"	000.00	87.07	S 0°00'00" E	82.19	12.89
C27	38°29'24"	000.00	23.10	S 77°40'36" E	23.20	23.89
C28	18°29'24"	000.00	48.89	S 48°20'00" E	48.29	28.89
C29	80°29'24"	000.00	140.00	N 0°00'00" W	129.87	64.29
C30	18°29'24"	000.00	23.89	N 29°20'00" W	23.84	12.07
C31	78°29'24"	000.00	100.00	N 11°30'36" E	121.89	75.07
C32	18°29'24"	000.00	30.84	N 59°37'12" E	30.00	10.89
C33	27°29'24"	000.00	87.00	N 44°30'36" E	87.79	23.89
C34	17°29'24"	000.00	78.49	N 0°00'00" E	78.20	38.89
C35	30°29'24"	000.00	84.00	S 0°00'00" E	80.89	40.87

**LINE TABLE**

LINE	BEARING	DISTANCE
L1	N 60°00'00" E	1.20
L2	N 29°59'59" W	8.25
L3	N 59°59'59" E	7.88
L4	N 0°00'00" W	2.80
L5	S 0°00'00" E	3.79



**VICINITY MAP**  
Scale: 1"=2000'

**REVISIONS**

No.	DATE	DESCRIPTION	BY
1	10-3-12	TOWN COMMENTS	R.C.
2	12-20-12	TOWN COMMENTS	K.C.
3	3-21-13	TOWN COMMENTS	C.S.
4	8-9-13	COUNTY COMMENTS	R.T.
5	10-6-14	COUNTY COMMENTS	R.T.
6	10-9-14	COUNTY COMMENTS	D.M.

**DMW**  
 DAFT MCCUNE WALKER INC  
 260 EAST PENNSYLVANIA TOWNSHIP, MD 21286  
 410 286 3333; F: 410 286 4783  
 WWW.DMW.COM  
 A TEAM OF LAND PLANNERS, LANDSCAPE ARCHITECTS, ENGINEERS, SURVEYORS & ENVIRONMENTAL PROFESSIONALS

NOT VALID FOR CONSTRUCTION UNLESS SIGNED AND DATED HERE.



SEAL  
  
 10/10/14

**PLAT OF SUBDIVISION**  
 LOTS 1 THROUGH 7, PARCEL A, AND REVISED TAX PARCEL 38  
 TALBOT COUNTY MARYLAND  
 TAX MAP 17, GRID 23, PARCELS 129 & 75 & 36 IN THE FIRST ELECTION DISTRICT TALBOT COUNTY, MARYLAND

DATE	BY
10-08-2014	DM
09-02-14	DM

DATE: 10-08-2014  
 JOB No.: 090029  
 SCALE: 1"=100'  
 SHEET No.: 7 OF 7  
 FILE No.:

## **EXHIBIT H**

### **LEGAL DESCRIPTION OF PROPERTY**

The Property subject to this Agreement consists of Lots 1, 2, 3, and 5 as depicted and described by the Initial Plat. Such Property is more particularly described by metes and bounds, courses and distances by the following legal descriptions prepared by Daft, McCune & Walker, Inc., attached hereto and incorporated herein:

1. Proposed Lot 1 as Laid Out and Shown On a Plat Entitled "Plat of Subdivision, Lots 1 through 7, Parcel A, and Revised Parcel 38" Intended to be Recorded Among the Land Records of Talbot County, Maryland, P/O Tax Map 17, Parcel 75 12.538 Acre Parcel, West of MD Rte. 50, East of Longwoods Road, Talbot County, Maryland;

2. Proposed Lot 2 as Laid Out and Shown on a Plat Entitled "Plat of Subdivision, Lots 1 through 7, Parcel A, and revised Parcel 38" Intended to be Recorded Among the Land Records of Talbot County, Maryland, P/O Tax Map 17, Parcel 75, 19.800 Acres, West of MD Rte. 50, East of Longwoods Road, Talbot County, Maryland;

3. Proposed Lot 3 as Laid Out and Shown on a Plat Entitled "Plat of Subdivision, Lots 1 through 7, Parcel A, and Revised Parcel 38" Intended to be Recorded Among the Land Records of Talbot County, Maryland, P/O Tax Map 17, Parcels 75 and 129, 77.074 Acre Parcel, West of MD Rte. 50, East of Hailem School Road, Talbot County, Maryland; and

4. Proposed Lot 5 as Laid Out and Shown on a Plat Entitled "Plat of Subdivision, Lots 1 through 7, Parcel A, and Revised Parcel 38" Intended to be Recorded Among the Land Records of Talbot County, Maryland, P/O Tax Map 17, Parcel 129, 89.710 Acre Parcel, West of MD Rte. 50, East of Hailem School Road, Talbot County, Maryland.



Description

Proposed Lot I as Laid Out and Shown On a Plat Entitled

“Plat of Subdivision Lots I through 7,

Parcel A, and Revised Parcel 38”

Intended to be Recorded

Among the Land Records of Talbot County, Maryland

P/O Tax Map 17, Parcel 75

12.538 Acre Parcel

West of MD Rte. 50

East of Longwoods Road

Talbot County, Maryland

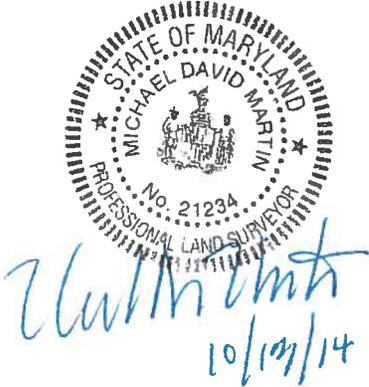
Beginning for the same at a point situate on the South 44 degrees 40 minutes 23 seconds East 1759.66 foot line of Parcel 75 as laid out and shown on a plat entitled, “Annexation 2009, Town of Easton, of the Lands of Talbot County, Maryland” and recorded among the Land Records of Talbot County in Plat Book 82, Page 362, said point being distant 637.01 feet from an iron pipe found at the beginning of said line; thence running with and binding on a portion of said line (1) South 44 degrees 40 minutes 23 seconds East 252.56 feet; thence leaving said line and running in through and across a portion of said Parcel 75 (2) South 30 degrees 36 minutes 54 seconds West 385.93 feet; (3) thence with a line curving to the right, having a radius of 110.00 feet, for a distance of 30.62 feet, (the arc of said curve being subtended by a chord bearing South 38 degrees 35

minutes 22 seconds West 30.52 feet); (4) thence with a reverse curve to the left, having a radius of 130.00 feet, for a distance of 85.10 feet (the arc of said curve being subtended by a chord bearing South 27 degrees 48 minutes 41 seconds West 83.58 feet); (5) thence with a line curving to the left, having a radius of 564.00 feet, for a distance of 95.26 feet (the arc of said curve being subtended by a chord bearing North 81 degrees 12 minutes 10 seconds West, 95.14 feet); (6) thence with a compound curve to the left, having a radius of 543.63 feet, for a distance of 84.87 feet (the arc of said curve being subtended by a chord bearing South 85 degrees 32 minutes 21 seconds West 84.79 feet); (7) thence South 79 degrees 46 minutes 46 seconds West 75.43 feet; thence (8) South 84 degrees 12 minutes 22 seconds West 172.06 feet; (9) thence with a line curving to the right, having a radius of 360.00 feet, for a distance of 373.27 feet, (the arc of said curve being subtended by a chord bearing North 66 degrees 05 minutes 23 seconds West 356.77 feet); (10) thence with a compound curve to the right, having a radius of 2,159.99 feet, for a distance of 64.43 feet (the arc of said curve being subtended by a chord bearing North 35 degrees 31 minutes 53 seconds West 64.43 feet); thence (11) South 55 degrees 19 minutes 24 seconds West 20.00 feet; (12) thence with a line curving to the right, having a radius of 2,180.00 feet, for a distance of 53.24 feet (the arc of said curve being subtended by a chord bearing North 33 degrees 58 minutes 38 seconds West 53.24 feet); thence (13) North 33 degrees 16 minutes 39 seconds West 232.76 feet to the proposed Right of Way line of Hiners Lane as shown as said proposed plat; thence running with a portion of said proposed Right of Way (14) North 38 degrees 27 minutes 11 seconds East 157.92 feet; thence leaving said Right of Way and running in, through, over and across a portion of said Parcel 75 (15) North 89 degrees 26 minutes 53 seconds East 56.50 feet; thence (16) South 39 degrees 33 minutes 25 seconds East 100.32 feet; thence (17) South 09 degrees 55 minutes 12 seconds East 75.81 feet; thence (18) North 49 degrees 28 minutes 40 seconds East 262.73 feet; thence (19) South 39 degrees 33 minutes 25 seconds East 45.21 feet;

thence (20) North 54 degrees 25 minutes 37 seconds East 268.00 feet; thence (21) South  
71 degrees 16 minutes 52 seconds East 327.92 feet; thence (22) North 45 degrees 18  
minutes 59 seconds East 70.00 feet; to the point of beginning, containing 546,176 square  
feet, or 12.538 acres, more or less, as now described by Daft- McCune-Walker, Inc.

October 13, 2014

Project No. 09035.P4 (L09035.P4)





Description

Proposed Lot 2 as Laid Out and Shown on a Plat

Entitled "Plat of Subdivision, Lots 1 through 7,

Parcel A, and revised Parcel 38"

Intended to be Recorded

Among the Land Records of Talbot County, Maryland

P/O Tax Map 17, Parcel 75

19.800 Acres

West of MD Rte. 50

East of Longwoods Road

Talbot County, Maryland

Beginning for the same at a point situate on the South 68 degrees 37 minutes 53 seconds West 571.94 foot line of said Parcel 75 as laid out and shown on a plat entitled, "Annexation 2009, Town of Easton, of the Lands of Talbot County, Maryland" and recorded among the Land Records of Talbot County in Plat Book 82, Page 362, said point being distant 551.66 feet from an iron pipe found at the beginning of said line thence leaving said point of beginning and running in, through, over and across a portion of said Parcel 75 (1) North 30 degrees 47 minutes 30 seconds West 25.64 feet; (2) thence with a line curving to the right, having a radius of 1,940.00 feet, for a distance of 351.94 feet (the arc of said curve being subtended by a chord bearing North 25 degrees 35 minutes 40 seconds West 351.46 feet); thence (3) North 20 degrees 23 minutes 51 seconds West

199.91 feet; (4) thence with a line curving to the right, having a radius of 460.00 feet, for a distance of 387.35 feet (the arc of said curve being subtended by a chord bearing North 03 degrees 43 minutes 34 seconds East 376.01 feet); thence (5) North 27 degrees 50 minutes 59 seconds East 423.19 feet; (6) thence with a line curving to the left, having a radius of 430.00 feet, for a distance of 319.07 feet (the arc of said curve being subtended by a chord bearing North 06 degrees 35 minutes 33 seconds East, 311.80 feet); (7) thence with a compound curve to the left, having a radius of 470.00 feet, for a distance of 258.11 feet (the arc of said curve being subtended by a chord bearing North 30 degrees 23 minutes 50 seconds West 254.88 feet); (8) thence with a reverse curve to the right, having a radius of 122.00 feet, for a distance of 98.72 feet (the arc of said curve being subtended by a chord bearing North 22 degrees 56 minutes 58 seconds West 96.05 feet); (9) thence with a reverse curve to the left, having a radius of 136.00 feet, for a distance of 3.03 feet (the arc of said curve being subtended by a chord bearing North 00 degrees 24 minutes 26 seconds West 3.03 feet); (10) thence with a reverse curve to the right, having a radius of 172.00 feet, for a distance of 125.99 feet (the arc of said curve being subtended by a chord bearing North 19 degrees 56 minutes 22 seconds East 123.19 feet); thence (11) North 40 degrees 55 minutes 26 seconds East 82.09 feet; (12) thence with a line curving to the right, having a radius of 403.00 feet, for a distance of 15.96 feet (the arc of said curve being subtended by a chord bearing North 42 degrees 03 minutes 29 seconds East 15.95 feet); thence (13) North 57 degrees 12 minutes 43 seconds East 31.95 feet; thence (14) South 18 degrees 50 minutes 14 seconds East 2.85 feet; thence (15) North 67 degrees 46 minutes 29 seconds East 65.11 feet; thence (16) South 18 degrees 55 minutes 09 seconds East 85.53 feet; thence (17) North 71 degrees 04 minutes 51 seconds East 155.00 feet; thence (18) South 20 degrees 31 minutes 59 seconds East 170.00 feet; thence (19) South 12 degrees 28 minutes 32 seconds East 375.20 feet; thence (20) South 01 degrees 32

minutes 36 seconds East 363.54 feet; to intersect the South 88 degrees 27 minutes 24 seconds West 175.48 feet of said Parcel 75; thence running with and binding on a portion of said line (21) South 88 degrees 27 minutes 24 seconds West 79.08 feet to a rebar and cap found; thence (22) South 18 degrees 47 minutes 23 seconds East 517.96 feet; thence (23) South 69 degrees 48 minutes 24 seconds West 336.99 feet; thence (24) South 12 degrees 28 minutes 48 seconds East 508.52 feet to intersect the first herein mentioned line at a distance of 275.04 feet from the beginning thereof, thence running with and binding on a portion of said line; thence (25) South 68 degrees 37 minutes 53 seconds West 276.62 feet, to the point of beginning; containing 862,469 square feet or 19.800 acres, more or less, as now described by Daft-McCune-Walker, Inc.

October 13, 2014

Project No. 09035.P4 (L09035.P4-1)



*Michael Martin*  
10/13/14



Description

Proposed Lot 3 as Laid Out and Shown on a Plat Entitled

“Plat of Subdivision, Lots 1 through 7,

Parcel A, and Revised Parcel 38”

Intended to be Recorded

Among the Land Records of Talbot County, Maryland

P/O Tax Map 17, Parcels 75 and 129

77.074 Acre Parcel

West of MD Rte. 50

East of Hailem School Road

Talbot County, Maryland

Beginning for the same at a concrete monument found at the beginning of the North 55 degrees 55 minutes 07 seconds West 500.90 foot line of Parcel 129 as laid out and shown on a plat entitled, “Annexation 2009, Town of Easton, of the Lands of Talbot County, Maryland” and recorded among the Land Records of Talbot County in Plat Book 82, Page 362; thence leaving said point of beginning and running with and binding on a portion of said line (1) North 55 degrees 55 minutes 07 seconds East 442.58 feet; thence leaving said line and running, in, through, over and across a portion of said Parcel 129 and Parcel 75 (2) South 07 degrees 54 minutes 04 seconds East 34.74 feet; thence (3) South 35 degrees 28 minutes 38 seconds West 11.56 feet; thence (4) South 54 degrees 31 minutes 22 seconds East 75.00 feet; thence (5) North 35 degrees 28 minutes 38 seconds

East 11.56 feet; thence (6) North 78 degrees 51 minutes 20 seconds East 40.81 feet; (7) thence with a line curving to the left, having a radius of 440.00 feet, for a distance of 5.30 feet (the arc of said curve being subtended by a chord bearing South 63 degrees 25 minutes 59 seconds East 5.30 feet); (8) thence with a compound to the left having a radius of 440.00 feet, for a distance of 245.86 feet (the arc of said curve being subtended by a chord bearing South 79 degrees 47 minutes 09 seconds East 242.68 feet); thence (9) North 84 degrees 12 minutes 22 seconds East 149.68 feet; (10) thence with a line curving to the right having a radius of 780.00 feet, for a distance of 214.29 feet (the arc of said curve being subtended by a chord bearing South 87 degrees 55 minutes 25 seconds East 213.61 feet); (11) thence with a compound curve to the right having a radius of 460.00 feet, for a distance of 26.71 feet (the arc of said curve being subtended by a chord bearing South 78 degrees 23 minutes 24 seconds East 26.70 feet); thence (12) South 37 degrees 30 minutes 54 seconds East 32.80 feet; thence (13) South 65 degrees 42 minutes 09 seconds East 118.11 feet; thence (14) North 85 degrees 33 minutes 25 seconds East 32.42 feet; (15) thence with a line curving to the right having a radius of 460.00 feet, for a distance of 57.99 feet (the arc of said curve being subtended by a chord bearing South 51 degrees 07 minutes 43 seconds East 57.95 feet); thence (16) South 47 degrees 31 minutes 02 seconds East 177.54 feet; thence (17) South 49 degrees 04 minutes 34 seconds East 183.30 feet; thence (18) South 49 degrees 04 minutes 34 seconds East 30.46 feet; (19) thence with a line curving to the right having a radius of 122.00 feet, for a distance of 98.09 feet (the arc of said curve being subtended by a chord bearing South 26 degrees 02 minutes 31 seconds East 95.47 feet); (20) thence with a reverse curve to the left having a radius of 136.00 feet, for a distance of 4.43 feet (the arc of said curve being subtended by a chord bearing South 03 degrees 56 minutes 26 seconds East 4.43 feet); (21) thence with a reverse curve to the right having a radius of 188.08 feet, for a distance of 160.73 feet (the arc of said curve being subtended by a chord bearing South 20 degrees 44 minutes 30

seconds West 155.89 feet); thence (22) South 47 degrees 25 minutes 16 seconds East 80.00 feet; (23) thence with a line curving to the left having a radius of 1,235.07 feet, for a distance of 49.29 feet (the arc of said curve being subtended by a chord bearing North 42 degrees 07 minutes 28 seconds East 49.28 feet); (24) thence with a reverse curve to the right having a radius of 119.86 feet, for a distance of 104.69 feet (the arc of said curve being subtended by a chord bearing North 67 degrees 22 minutes 26 seconds East 101.40 feet); thence (25) South 87 degrees 29 minutes 35 seconds East 36.78 feet; (26) thence with a line curving to the right having a radius of 172.00 feet, for a distance of 134.93 feet (the arc of said curve being subtended by a chord bearing South 65 degrees 01 minutes 14 seconds East 131.50 feet); (27) thence with a compound curve to the right having a radius of 322.00 feet, for a distance of 158.73 feet (the arc of said curve being subtended by a chord bearing South 28 degrees 25 minutes 32 seconds East 157.12 feet); (28) thence with a compound curve to the right having a radius of 350.00 feet, for a distance of 257.50 feet (the arc of said curve being subtended by a chord bearing South 06 degrees 46 minutes 22 seconds West 251.73 feet); (29) thence South 27 degrees 50 minutes 59 seconds West 423.19 feet; (30) thence with a line curving to the left having a radius of 540.00 feet, for a distance of 58.27 feet (the arc of said curve being subtended by a chord bearing South 24 degrees 45 minutes 29 seconds West 58.25 feet); (31) thence South 77 degrees 23 minutes 46 seconds West 243.48 feet to a mag nail found in the center of Longwoods Road marking a point on the South 77 degrees 23 minutes 46 seconds West 2171.46 foot line of the abovementioned plat; thence continuing with said line and passing over a concrete monument found at a distance of 21.02 feet from the mag nail found; (32) South 77 degrees 23 minutes 46 seconds West 1,362.55 feet; thence leaving said line and running in, through, over and across a portion of said Parcel 129 (33) North 11 degrees 00 minutes 36 seconds West 322.12 feet; thence (34) North 57 degrees 07 minutes 37 seconds West 408.11 feet; thence (35) North 32 degrees 54 minutes 04 seconds West 562.70 feet;

thence (36) North 01 degrees 35 minutes 07 seconds East 675.28 feet to intersect the South 88 degrees 24 minutes 53 seconds East 1466.62 foot line of Parcel 129 as shown on the abovementioned plat at a distance of 505.17 feet from the end thereof; thence running with and binding on a portion of said line (37) South 88 degrees 24 minutes 53 seconds East 505.17 feet, to the point of beginning; containing 3,357,352 square feet or 77.075 acres, more or less, as now described by Daft-McCune-Walker, Inc.

October 13, 2014

Project No. 09035.P4 (L09035.P4-2)



*Michael David Martin*  
10/13/14



DAFT MCCUNE WALKER INC

Description

Proposed Lot 5 as Laid Out and Shown on a Plat Entitled

"Plat of Subdivision, Lots 1 through 7,

Parcel A, and Revised Parcel 38"

Intended to be Recorded

Among the Land Records of Talbot County, Maryland

P/O of Tax Map 17, Parcel 129

89.710 Acre Parcel

West of MD Rte. 50

East of Hailem School Road

Talbot County, Maryland

Beginning for the same at a concrete monument found at the beginning of the North 35 degrees 41 minutes 21 seconds East 81.45 foot line of Parcel 129 as laid out and shown on a plat entitled, "Annexation 2009, Town of Easton, of the Lands of Talbot County, Maryland" and recorded among the Land Records of Talbot County in Plat Book 82, Page 362 ; thence leaving said point of beginning and running with and binding on said lines of Parcel 129 the following 2 courses and distances: (1) North 35 degrees 41 minutes 21 seconds East 81.45 feet to an iron pipe found; thence (2) North 62 degrees 28 minutes 37 seconds West 278.82 feet; thence leaving said parcel and running in, through over and across a portion of said Parcel 129 (3) North 35 degrees 00 minutes 57 seconds East

414.21 feet; (4) thence with a line curving to the right having a radius of 2,450.00 feet, for a distance of 467.70 feet (the arc of said curve being subtended by a chord bearing North 40 degrees 2 minutes 05 seconds East 467.00 feet); thence (5) North 45 degrees 57 minutes 13 seconds East 458.57 feet; (6) thence with a line curving to the left having a radius of 1,550.00 feet, for a distance of 257.31 feet (the arc of said curve being subtended by a chord bearing North 41 degrees 11 minutes 52 seconds East 257.02 feet); (7) thence North 36 degrees 26 minutes 31 seconds East 139.45 feet; (8) thence with a line curving to the left having a radius of 4,350.00 feet, for a distance of 503.10 feet (the arc of said curve being subtended by a chord bearing North 33 degrees 07 minutes 44 seconds East 502.82 feet); thence (9) North 29 degrees 48 minutes 56 seconds East 464.12 feet to intersect the South 88 degrees 24 minutes 53 seconds West 1,466.62 foot line of the abovementioned plat at a distance of 28.38 feet from a concrete monument found at the beginning of said line; (10) thence running with and binding on a portion of said line South 88 degrees 24 minutes 53 seconds East 34.91 feet; (11) thence leaving said line and running in, through, over and across a portion of said Parcel 129 (12) South 22 degrees 56 minutes 46 seconds West 246.17 feet; thence (13) South 88 degrees 24 minutes 53 seconds East 190.00 feet; thence (14) North 22 degrees 56 minutes 46 seconds East 246.17 feet to intersect the above mentioned line; (15) thence running with and binding on a portion of said line (16) South 88 degrees 24 minutes 53 seconds East 708.16 feet; thence leaving said line and running in, through, over and across a portion of said Parcel 129 (17) South 01 degrees 35 minutes 07 seconds West 675.28 feet; thence (18) South 32 degrees 54 minutes 04 seconds East 562.70 feet; thence (19) South 57 degrees 07 minutes 37 seconds East 408.11 feet; thence (20) South 11 degrees 00 minutes 36 seconds East 322.12 feet to intersect the South 77 degrees 23 minutes 46 seconds West 2171.46 foot line as laid out on said plat at a distance of 787.86 feet from an iron pipe found at the end of said line; thence running with and binding on a portion of said line (21) South 77 degrees 23 minutes

46 seconds West 787.86 feet to an iron pipe found; thence (22) South 79 degrees 04 minutes 16 seconds West 1303.43 feet to an iron pipe found; thence (23) South 78 degrees 19 minutes 00 seconds West 1024.97 feet to the point of beginning; containing 3,907,770 square feet or 89.710 acres, more or less, as now described by Daft-McCune-Walker, Inc.

October 13, 2014

Project No. 09035.P4 (L09035.P4-3)



*Michael David Martin*  
10/13/14

## EXHIBIT I

### PARTIAL ASSIGNMENT, ASSUMPTION AND NOVATION AGREEMENT FORM

THIS PARTIAL ASSIGNMENT, ASSUMPTION AND NOVATION AGREEMENT (“**Agreement**”) is entered by and between Shore Health System, Inc., a Maryland corporation (“**SHS**”), Town of Easton, a Maryland municipal corporation (“**Town**”), Talbot County, Maryland, a Maryland charter county (“**County**”) and \_\_\_\_\_, a \_\_\_\_\_ (“**SHS-Assignee**”).

#### Recitals

A. SHS, Town and County entered into a Development Rights and Responsibilities Agreement (“**Development Agreement**”), which is dated October 14, 2014 and which is recorded among the Land Records of Talbot County at Liber \_\_\_, folio \_\_\_. Pursuant to the Development Agreement, SHS agreed to develop certain property more particularly described in the Development Agreement (“**Subject Property**”) subject to certain conditions and obligations set forth in the Development Agreement.

B. SHS desires to assign a portion of its respective interests under the Development Agreement to SHS-Assignee under a written agreement dated \_\_\_\_\_, 20\_\_ as to that portion of the Subject Property identified and described in Attachment 1, which is attached hereto and incorporated herein by this reference (“**Assigned Property**”).

C. Pursuant to Paragraphs 2.6.1 and 2.6.3 of the Development Agreement, SHS-Assignee agrees to assume all of SHS’ obligations and be subject to all of the provisions of the Development Agreement with respect to the Assigned Property and Town and County agree to release SHS with respect to the Assigned Property.

D. Town and County acknowledge and agree that SHS-Assignee and SHS have complied with the requirements of Paragraph 2.6.3. of the Development Agreement.

NOW, THEREFORE, SHS, Town, County and Assignee hereby agree as follows:

1. With respect to the Assigned Property, SHS-Assignee hereby assumes all of the burdens and obligations of SHS under the Development Agreement, and agrees to assume and fully perform all of the duties and obligations of SHS under the Development Agreement, and to be subject to all the terms and conditions thereof, it being the express intention and agreement of SHS, SHS-Assignee, Town and County that, upon the execution of this Agreement, SHS-Assignee shall become substituted for SHS under the Development Agreement with respect to the Assigned Property and SHS shall be released from all obligations related to the Assigned Property.

2. All of the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and to their respective heirs, personal representatives, successors and assigns.

3. The Town and County may rely upon this Agreement in consenting to the assignment of rights to and assumption of obligations by the Assignee, and the release of SHS from obligations, relating to the Assigned Property hereunder.

4. This Agreement shall be recorded among the Land Records of Talbot County, Maryland.

5. The individuals executing this Agreement represent and warrant that they have the right, power, and legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of SHS, SHS-Assignee, Town and County.

6. The Recitals above are incorporated herein as material terms of this Agreement.

*[This form is included in this Agreement solely as a resource and does not preclude the Parties from revising this form or adding additional or special provisions, rights and obligations pertaining to any particular assignments]*

IN WITNESS WHEREOF, the parties do hereby agree to the full performance of the terms set forth herein.

**SHS**

**SHS-ASSIGNEE**

By: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TOWN**

**COUNTY**

By: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

[ACKNOWLEDGMENTS ATTACHED]

**ATTACHMENT 1**

LOCATION AND LEGAL DESCRIPTION OF THE PORTION  
OF THE PROPERTY ASSIGNED ("ASSIGNED PROPERTY")

**EXHIBIT J**

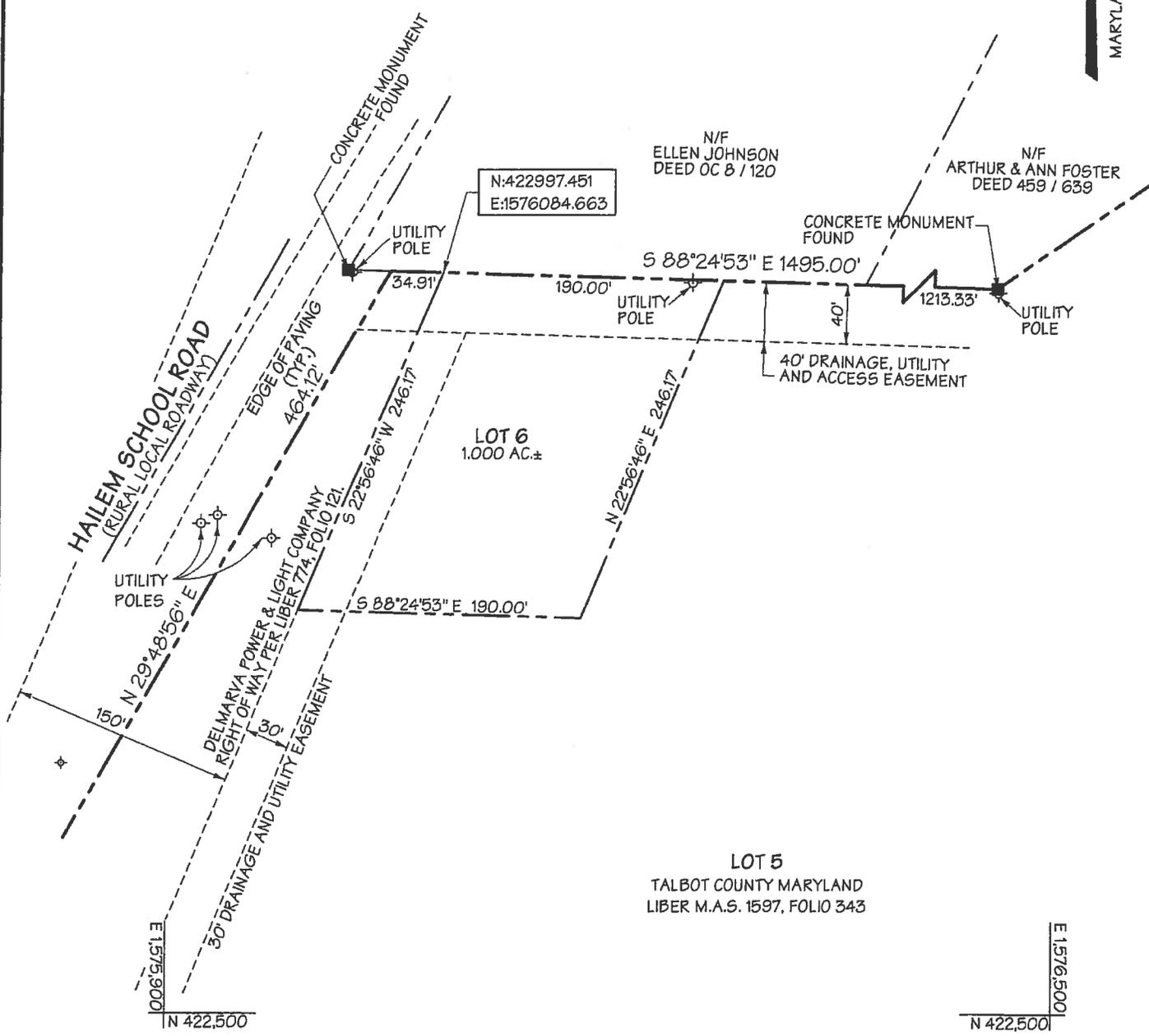
***RESERVED***

**EXHIBIT K**

**WATER TOWER PARCEL**

N 423,300  
E 1575,900

MARYLAND COORDINATE SYSTEM  
NAD 83(1991)



E 1575,900  
N 422,500

E 1576,500  
N 422,500

**EXHIBIT K**  
**WATER TOWER PARCEL**  
**LOT 6**

ON A PORTION OF PARCEL 129  
 LIBER M.A.S. 1597, FOLIO 343

**DMW**

DAFT MCCUNE WALKER INC

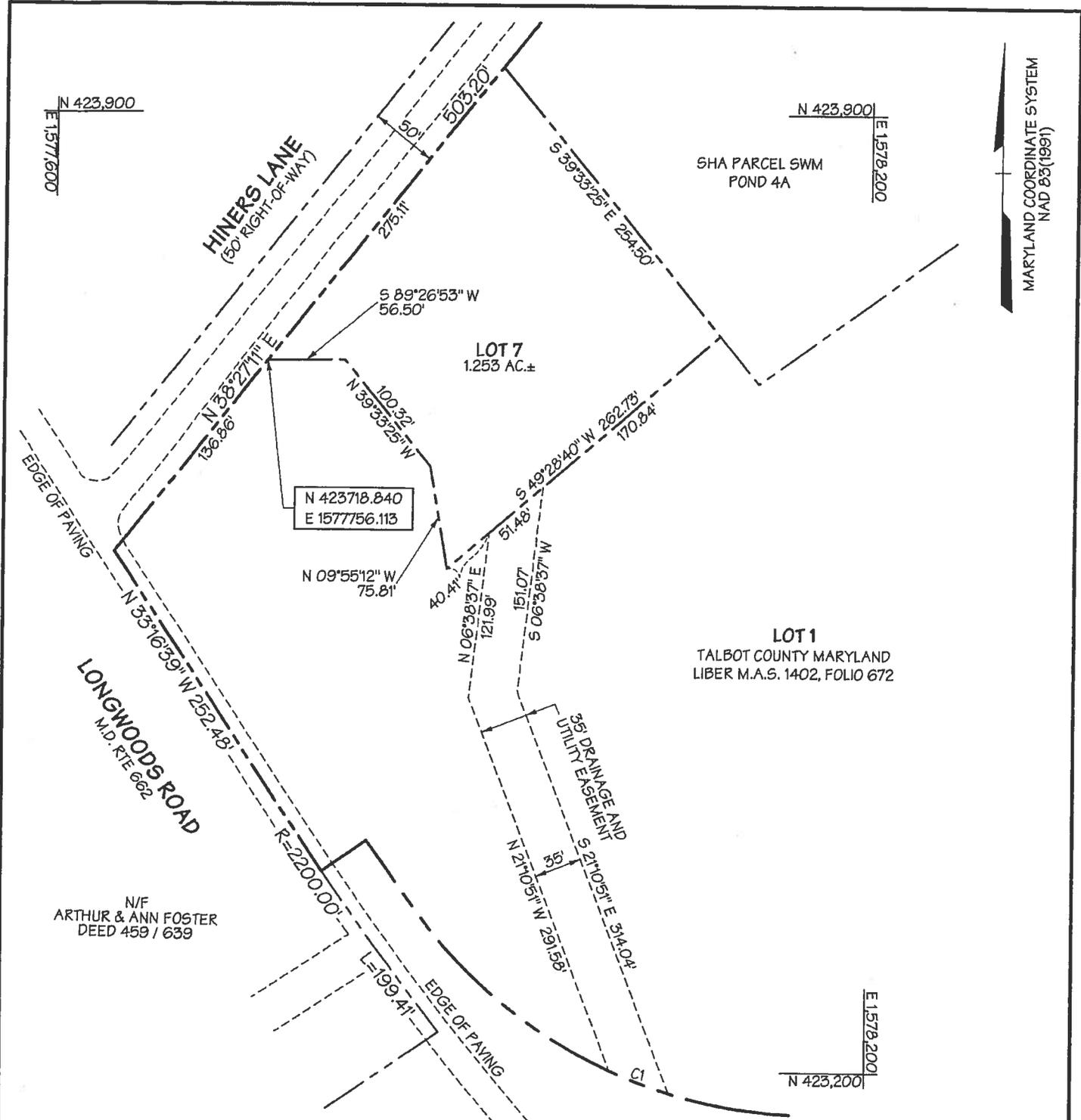
200 EAST PENNSYLVANIA TOWSON, MD 21286  
 P: 410 298 3333 F: 410 296 4705 WWW.DMW.COM

A TEAM OF LAND PLANNERS, LANDSCAPE ARCHITECTS,  
 ENGINEERS, SURVEYORS & ENVIRONMENTAL PROFESSIONALS

Field Crew:	Scale: 1"=100'	Date: 09-13-2012
Drawn by: R.C.	Checked by: M.D.M.	Job No.: 09035

**EXHIBIT L**

**PUMP STATION/SUBSTATION PARCEL**



**CURVE TABLE**

CURVE	DELTA ANGLE	RADIUS	ARC	CHORD BEARING	LENGTH	TANGENT
C1	7°27'36"	360.00'	46.87	S 69°31'59" E	46.84'	23.47

**EXHIBIT L**  
**PUMP STATION / SUBSTATION PARCEL**  
**LOT 7**  
 ON A PORTION OF PARCEL 75  
 LIBER M.A.S. 1402, FOLIO 672

**DMW**  
 DAFT MCCUNE WALKER INC  
 200 EAST PENNSYLVANIA TOWSON, MD 21286  
 P: 410 286 3333 F: 410 286 4705 WWW.DMW.COM  
 A TEAM OF LAND PLANNERS, LANDSCAPE ARCHITECTS,  
 ENGINEERS, SURVEYORS & ENVIRONMENTAL PROFESSIONALS

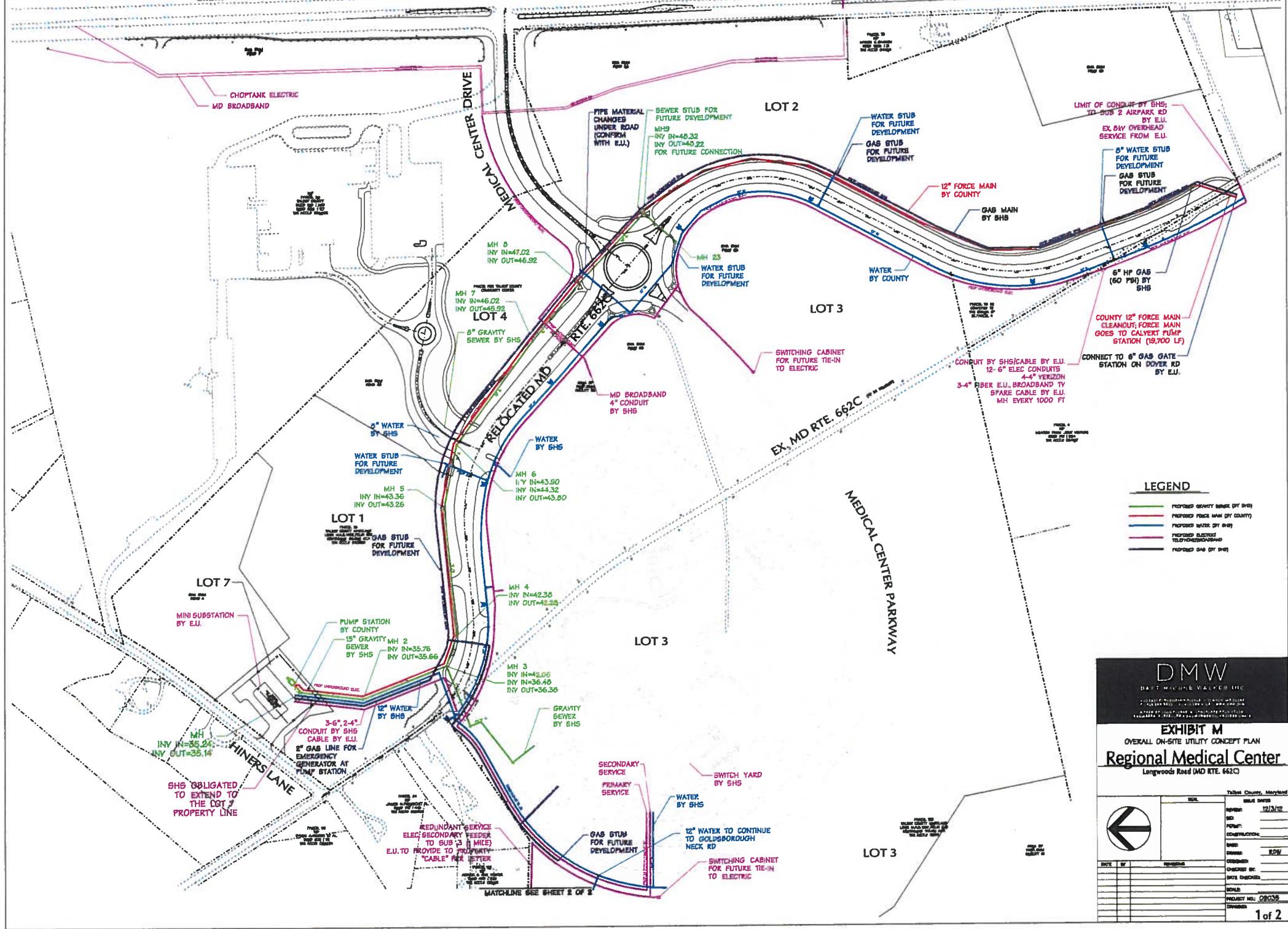
1st ELECTION DISTRICT

TALBOT COUNTY, MARYLAND

Field Crew: Scale: 1"=100' Date: 09-13-2012  
 Drawn by: R.C. Checked by: M.D.M. Job No.: 09035

**EXHIBIT M**

**OVERALL ON-SITE UTILITY CONCEPT PLAN  
(2 PAGES)**



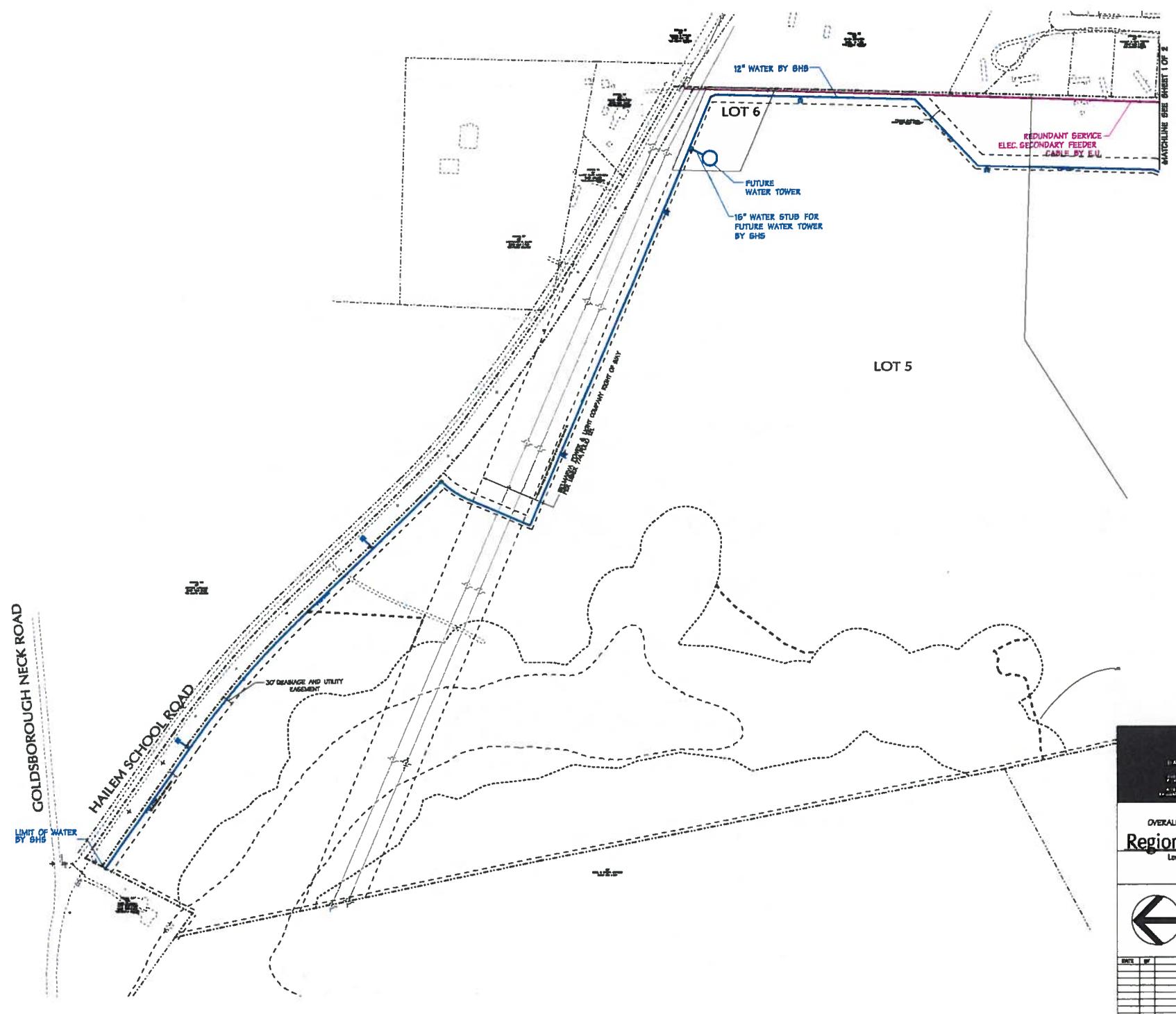
LEGEND

- PROPOSED GRAVITY SEWER (BY SHS)
- PROPOSED FORCE MAIN (BY COUNTY)
- PROPOSED WATER (BY COUNTY)
- PROPOSED ELECTRIC (BY E.U.)
- PROPOSED GAS (BY SHS)

**DMW**  
 DATA MANAGEMENT WALKER INC.  
 2100 N. WASHINGTON BLVD. SUITE 200  
 FORT WASHINGTON, PA 19041  
 PHONE: 610-709-1000 FAX: 610-709-1001  
 WWW.DMW.COM

**EXHIBIT M**  
 OVERALL ON-SITE UTILITY CONCEPT PLAN  
**Regional Medical Center**  
 Longwoods Road (MD RTE. 662C)

Title Block		Talent County, Maryland	
DATE	12/3/16	SCALE	AS SHOWN
DESIGNED BY	DMW	CHECKED BY	DMW
DRAWN BY	DMW	DATE PLOTTED	
PROJECT NO.	09038	DRAWING	



MATCHLINE SEE SHEET 1 OF 2

**DMW**

DARTMOUTH COLLEGE  
PLANNING AND DESIGN SERVICES  
A DIVISION OF DARTMOUTH COLLEGE

OVERALL ON-SITE UTILITY CONCEPT PLAN

Regional Medical Center

Longwoods Road (MD RTE. 662C)

DATE	BY	REVISION

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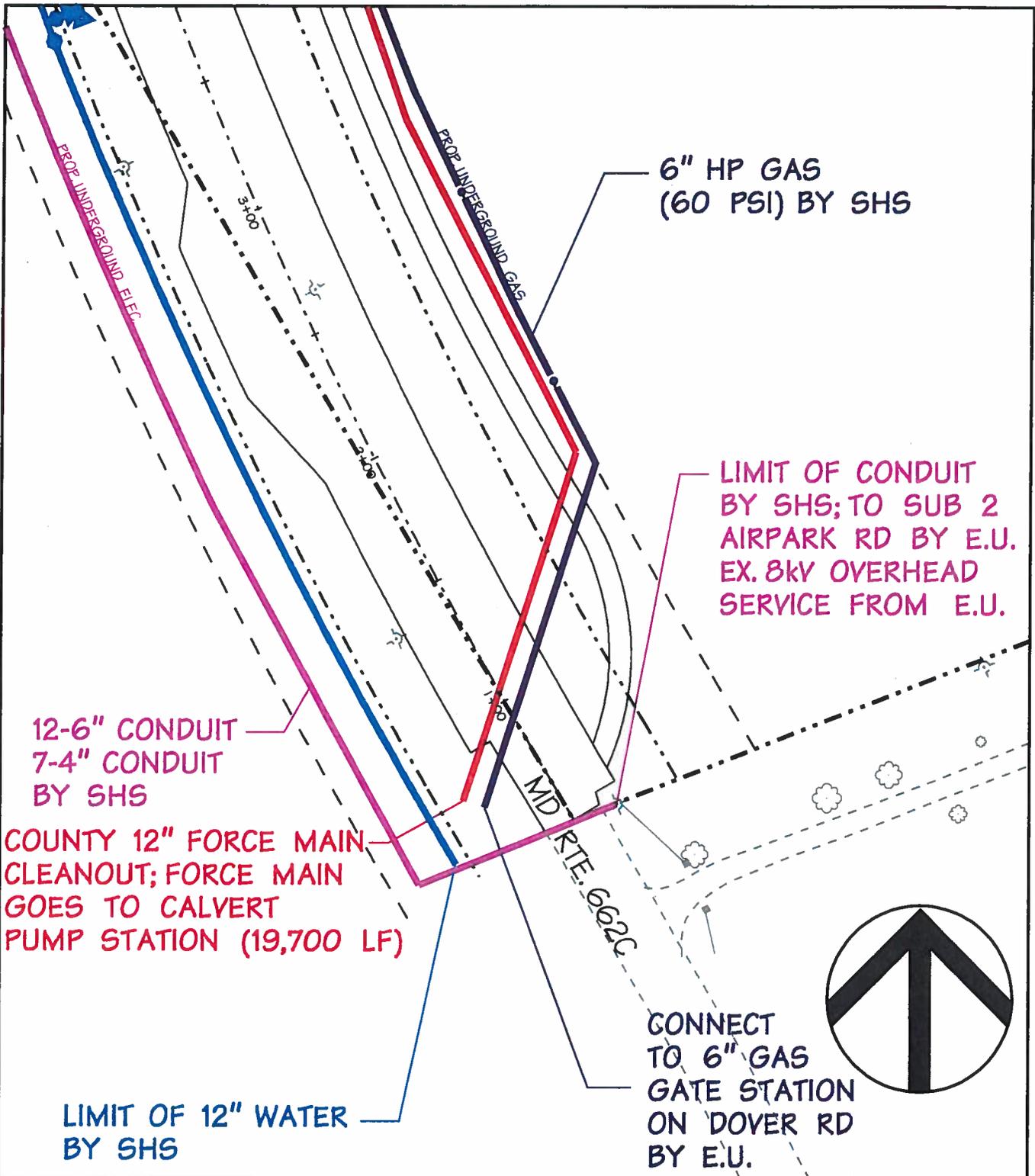
2 of 2

**EXHIBIT N**

**RESERVED**

**EXHIBIT O**

**UTILITY EXHIBIT – EASTERN CONNECTIONS**



12-6" CONDUIT  
7-4" CONDUIT  
BY SHS

COUNTY 12" FORCE MAIN  
CLEANOUT; FORCE MAIN  
GOES TO CALVERT  
PUMP STATION (19,700 LF)

LIMIT OF 12" WATER  
BY SHS

6" HP GAS  
(60 PSI) BY SHS

LIMIT OF CONDUIT  
BY SHS; TO SUB 2  
AIRPARK RD BY E.U.  
EX. 8KY OVERHEAD  
SERVICE FROM E.U.

CONNECT  
TO 6" GAS  
GATE STATION  
ON DOVER RD  
BY E.U.



**EXHIBIT O**  
UTILITY EXHIBIT  
EASTERN CONNECTIONS

**DMW**

DAFT MCCUNE WALKER INC  
200 EAST PENNSYLVANIA AVENUE • TOWSON, MD 21286  
P: 410 296 3333 F: 410 296 4705 WWW.DMW.COM

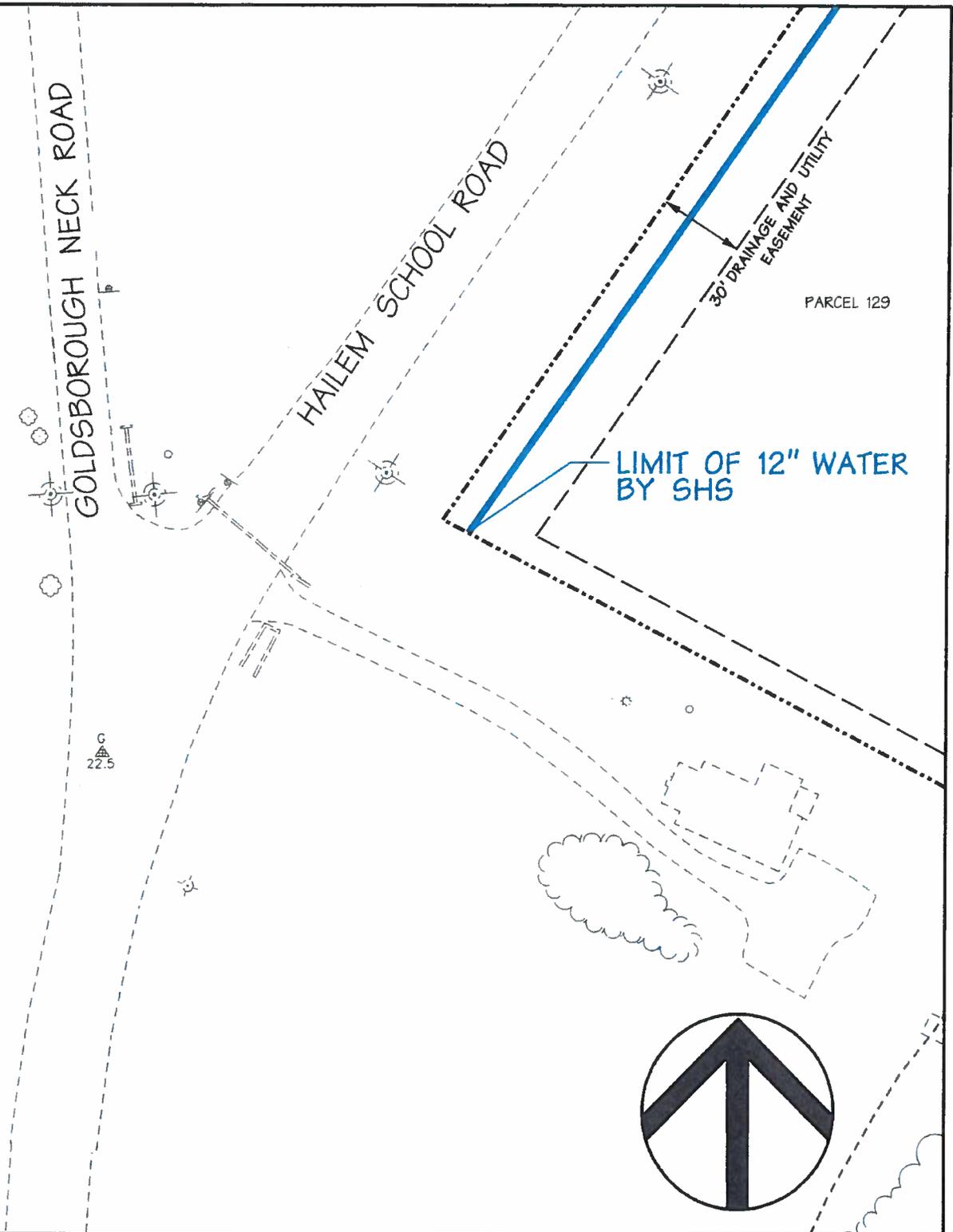
Job No. 09035.N | Scale: 1"=50' | Date: 12/3/12 | Drawn By: RLV

\*\*\*\*\*DGNSPEC\*\*\*\*\*

\*\*\*\*\*SYTIME\*\*\*\*\*

**EXHIBIT P**

**UTILITY EXHIBIT - WESTERN WATER CONNECTION**



**EXHIBIT P**

UTILITY EXHIBIT WESTERN  
WATER CONNECTION

**DMW**

DAFT MCCUNE WALKER INC

200 EAST PENNSYLVANIA AVENUE • TOWSON, MD 21286  
P : 410 296 3333 F : 410 296 4705 WWW.DMW.COM

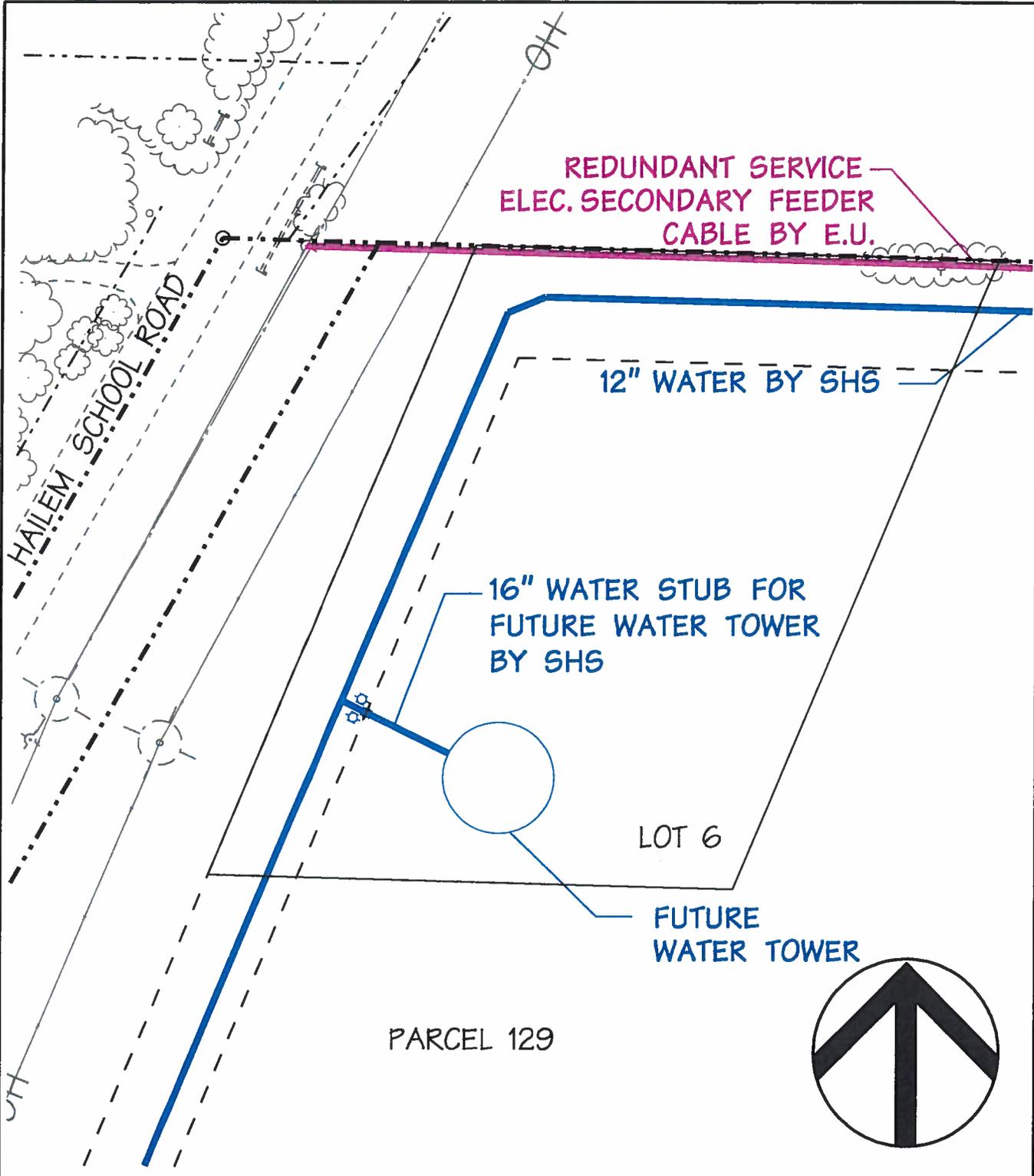
Job No. 09035.N	Scale: 1" = 50'	Date: 09/13/12	Drawn By: RLV
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\*\*\*\*\*DGNSPEC\*\*\*\*\*

\*\*\*\*\*SYTIME\*\*\*\*\*

**EXHIBIT Q**

**UTILITY EXHIBIT – WESTERN ELECTRICAL CONNECTION**



**EXHIBIT Q**  
UTILITY EXHIBIT WESTERN  
ELECTRICAL CONNECTION

**DMW**

DAFT MCCUNE WALKER INC  
200 EAST PENNSYLVANIA AVENUE • TOWSON, MD 21286  
P : 410 296 3333 F : 410 296 4705 WWW.DMW.COM

Job No. 09035.N | Scale: 1"=50' | Date: 11/30/12 | Drawn By: RLV

\*\*\*\*\*DGNSPEC\*\*\*\*\*

\*\*\*\*\*SYTIME\*\*\*\*\*

**EXHIBIT R**

**FORM OF ESTOPPEL CERTIFICATE**

Date: \_\_\_\_\_, 20\_\_

To: \_\_\_\_\_  
\_\_\_\_\_

Re: *Development Rights and Responsibilities Agreement, dated October 14, 2014, executed by Shore Health System, Inc. ("SHS"), Town of Easton ("Town") and Talbot County, Maryland ("County") recorded at Liber \_\_\_\_ folio \_\_\_\_ in the Land Records of Talbot County, Maryland ("Development Agreement").*

Ladies/Gentlemen:

In accordance with the Development Agreement, [SHS/the Town/the County] has the authority to certify, as of the date hereof, the following. Capitalized terms herein will have the meanings assigned to them in the Development Agreement unless otherwise defined herein:

5. The Parcel covered by this Estoppel Certificate is depicted by Exhibit "A" attached hereto and is referred to herein as the "Parcel".

6. The Development Agreement is in full force and effect with respect to the Parcel and has not been amended, modified or supplemented in any way except as follows: (if none, so indicate):

- a. \_\_\_\_; and
- b. \_\_\_\_.

7. [SHS/the Town/the County] has not sent any notices of default to the [SHS/the Town/the County] or [SHS/the Town/the County] of the Parcel under the Development Agreement which remain uncured, except as follows (if none, so indicate):

- a. \_\_\_\_; and
- b. \_\_\_\_.

8. This Estoppel Certificate is made by [SHS/the Town/the County] and may be relied upon by the addressee in its capacity as a lender related to or secured by the Parcel or as a purchaser or lessee of the Parcel, as applicable. The undersigned has authority to execute this Estoppel Certificate on behalf of [SHS/the Town/the County].

Respectfully,

[SHS/ Town / County ]

By: \_\_\_\_\_  
Name, Title: \_\_\_\_\_

## **EXHIBIT S**

### **EXISTING LAND USE REGULATIONS:**

The Existing Land Use Regulations as of the Effective Date of this Agreement, as identified by Paragraph 1.1.20, are incorporated herein by reference. Complete copies of such documents were compiled and shall be maintained in electronic form in the offices of Shore Health System, Inc., Easton Town Manager, Easton Planning & Zoning Office, Talbot County Manager, Talbot County Attorney, and Talbot County Planning and Zoning. Such documents shall be available for inspection and copying upon request from any of the aforementioned public offices in accordance with the Maryland Public Information Act.

## EXHIBIT T

### TRAFFIC STUDY

A "Traffic Impact Analysis, Shore Health System Medial Campus, Talbot County, Maryland", prepared by The Traffic Group and dated May 12, 2010 has been reviewed by the Town, County and SHA and approved by SHA.

In response to comments and questions by Town and County staff, The Traffic Group reviewed additional intersections as described in a letter report addressed to Zach Smith, Town of Easton entitled "Supplement to Traffic Impact Analysis dated May 12, 2010", dated September 28, 2010.

To further evaluate potential impacts on County Roads, the County Department of Public Works engaged Wallace, Montgomery & Associates, LLC ("WMA") to review the Traffic Impact Analysis prepared by The Traffic Group. WMA's conclusions are summarized in a report entitled "Traffic Impact Analysis, Shore Health System Medial Campus, Easton, Maryland" and dated May 2011.

These three traffic impact analyses are referred to collectively as the "**Traffic Study**". Complete copies of the Traffic Study, including all appendices, are on file with the Town and County. The Traffic Group analyses were evaluated by SHA to determine the nature and extent of transportation improvements to State highways required by Development of the Property as described in such reports. The Traffic Study was reviewed by the Town and County to determine the traffic impacts on County and Town roads from build-out of Section One using then-current projections. The parties acknowledge and agree that the Traffic Study was not intended to and shall not be interpreted or applied to limit uses or Development of the Property.