

72ND SPECIAL SESSION, WORK SESSION, AND EXECUTIVE SESSION – May 21, 2019

EXECUTIVE SESSION – May 21, 2019

On a motion duly made by Councilmember A. Heffernan and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed by voice vote of all members present to meet in closed session to consult with counsel to obtain legal advice; #7 (Section 3-305(b)), to consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State; #4 (Section 3-305(b)), and to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, #1 (Section 3-305(b)), on Tuesday, May 21, 2019 at 3:09 p.m. in Room 407, 4th floor, City Hall, Hagerstown, Maryland.

The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember K. B. Aleshire, Councilmember A. Heffernan, Councilmember E. Keller, Councilmember S. McIntire, City Administrator Scott Nicewarner, Jason Morton, City Attorney, Michelle Hepburn, Director of Finance, Jill Thompson, Director of Department of Community and Economic Development, Danelle Hayer, Business Development Specialist, Stephen Bockmiller, Planner and Zoning Administrator, Don Francis, Director of Human Resources, Chief Steve Lohr, and Donna K. Spickler, City Clerk. Councilmember L. C. Metzner was not present.

The meeting was held to discuss an economic development proposal, an Invest Hagerstown grant application, modification of a Financial Incentive Agreement, membership of the Historic District Commission, and various personnel issues. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the meeting was adjourned at 3:59 p.m.

72ND SPECIAL SESSION AND WORK SESSION – May 21, 2019

Mayor R. E. Bruchey, II called this 72nd Special Session and Work Session of the Mayor and City Council to order at 4:08 p.m., Tuesday, May 21, 2019 in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, A. Heffernan, E. Keller, and S. McIntire, City Administrator Scott A. Nicewarner, and City Clerk D. K. Spickler. Councilmember L. C. Metzner was not present.

Work Session – May 21, 2019

Preliminary Agenda Review

Consent Agenda

- A. Department of Community and Economic Development:
 - 1. Street Closure Request – Imagine Hagerstown

- B. Fire Department:
 - 1. Office Security System – Spichers Security Services (Hagerstown, MD) \$ 28,437.14
 - 2. Two Triple Combination Attack Pumpers – 4 Guys Stainless Tank and Equipment (Meyersdale, PA) \$ 1,068,392.00

- C. Department of Human Resources:
 - 1. City Sponsored Life Insurance – Aetna (Hartford, CT) \$ 45,929.00
 - 2. Specific Stop Loss Insurance – Tokio Marine HCC (Wakefield, MA) \$ 301,060.00
 - 3. Employee Assistance Plan – ComPsych (Chicago, IL) \$ 10,000.00
 - 4. Administration of Medical Coverage – United HealthCare (Chicago, IL) \$ 304,000.00
 - 5. Dental Insurance Administration – UCCI (Hunt Valley, MD) \$ 40,005.00
 - 6. Approval of Wage Study Contract – Evergreen Solutions, LLC (Tallahassee, FL) \$ 45,000.00

- D. Department of Parks and Engineering:
 - 1. S650 T4 Bobcat Skid-Steer Loader – Bobcat Company (West Fargo, ND) \$ 64,474.12
 - 2. Pavement Markings – Midlantic Marking, Inc. (Gaithersburg, MD) \$ 153,000.00
 - 3. Pavement Preservation – Craig Paving, Inc. (Hagerstown, MD) Not to Exceed \$ 1,261,000.00
 - 4. Curb/Sidewalk Replacement Program – Haven Road and Pennsylvania Avenue – Concrete Central, LLC (Hagerstown, MD) \$ 535,851.00

- E. Police Department:
 - 1. Expansion of Crime Camera System – Multiple Vendors \$ 165,491.02
 - 2. Police Software – HCGI (Columbia, MD) \$ 51,705.00

- F. Utilities:
 - 1. Light – Tree Trimming Services – All Reliable Services, Inc. (St. Augustine, FL) \$ 243,000.00
 - 2. Light – Services for Equipment Repair and Refurbishment – Southeastern Transformer Co. (Dunn, NC) \$ 50,000.00
 - 3. Light – Distribution Transformers – National Transformer Sales (Raleigh, NC) \$ 120,000.00
 - 4. Light – Contract to Provide Linework Services – Everhart & Hoover Power Line Construction, Inc. (Hustontown, AP) \$ 150,000.00
 - 5. Wastewater – Two Fairbanks Morse 8312AW Propeller Turbine Pumps – Apparatus Repair and Engineering (Hagerstown, MD) \$ 123,900.00
 - 6. Water – Change Order 1 – Traveling Screens and Miscellaneous SCADA and Piping Improvements – Carl Belt, Inc. (Cumberland, MD) \$ 55,907.00
 - 7. Water – 2019 Ford F250 XL – Keystone Ford (Chambersburg, PA)

This completed the Preliminary Agenda review. There were no questions about any items. All items are scheduled for approval on May 28, 2019.

FY20 Budget Review

Michelle Hepburn, Director of Finance, and Jennifer Peterson, Accounting and Budget Manager, were present to continue the FY20 Budget Review.

Three Enterprise Funds were reviewed.

Parking Fund

Parking rates were last increased on July 1, 2019. Rates for the parking decks and parking lots have been approved by the Mayor and City Council to increase on July 1, 2019, 2020, and 2021. Based on an economic study by Urban Partners in 2014, a future need for a third parking deck may occur through the development of new retail office space in the downtown. The projections include the assumption that this third parking deck would be completed and operational for half of FY2021/22.

Total operating expenses (excluding depreciation) increased by 4.00% from the FY2018/19 budget compared to the budget proposed for FY2019/20. With the inclusion of a third parking deck, the increases in FY2021/22 and FY2022/23 are estimated to be 16.2% and 14.6% respectively.

Depreciation expense is expected to decrease from FY2018/19 to FY2019/20 budget by 7.2% as a result of lower than anticipated infrastructure pending of \$ 73.5 K from FY 2018/19 budget and from assets in place that have been fully depreciated.

Current staffing levels of this full time operation are two part time employees and one full time employee. Staff will return at a later date to discuss additional staff to provide adequate coverage.

Golf Course

The last rate increases implemented at the Golf Course were on July 1, 2015. There are no other rate increases included in the projections through FY2023/24. As a result of trends across the nation and experienced locally, future revenue growth is flat, even with increased promotions and advertising efforts.

The total operating expenses (excluding depreciation) increased by 3.3% from current FY2018/19 budget to proposed FY2019/20 budget. Beginning in FY2020/21 through FY2023/24, the increase in total expenses range annually from 2.9%, 3.6%, 3.1%, and 3.7% respectively. The increase reflects annual salary enhancements and associated benefits and increases to several expense categories based on historical trends and inflation factors.

Depreciation expense is a reflection of investment in capital infrastructure and renovation. Therefore, the projections for depreciation reflect an increase of 1.5% from

FY2018/19 to FY 2019/20 budget. This increase is due to further purchase of vehicles for the golf course.

Currently, the Golf Course receives a subsidy from the General Fund. It will be necessary to continue this subsidy through FY2023/24 based on the projections and trends.

Councilmember Aleshire noted a majority of the expenses are staffing. He asked if these employee are specific to the golf course. Ms. Hepburn indicated there are 2.25 full time employees charged to the Golf Course – 2 full time people during the open months and .25 for other duties for other staff (such as the Parks Coordinator).

Councilmember McIntire asked if a private investor had ever approached the City about purchasing the golf course. Mr. Tissue stated contracting out the operations has been discussed. The estimate for that contract is \$ 140,000.00. The quality may be diminished but it could save some money. He has been told golf is a slowly diminishing sport and a 9-hole course with no driving range would not be profitable.

Councilmember Aleshire believes golf is driven by the economy and popularity increases when discretionary income is high. He would not be opposed to looking into contracting out the operations. The loss currently is about one penny on the tax rate.

Mr. Tissue noted the golf course will never make money but they are trying to make it as economical as possible.

Property Management

The Property Management Enterprise Fund includes places and properties that the City of Hagerstown owns and rents out. Overall, rental revenue projections are estimated to decrease by 9.7% from FY2018/19 budget to FY2019/18 budget. The FY2019/20 budget includes all current leases. The budget also reflects continued annual occupancy of the four artist loft apartments (38 N. Potomac Street). At this time, there are two areas that remain occupied for just \$ 1.00 per year or for no cost (Fire Police Headquarters on Valley Road, and City of Hagerstown Police Auxiliary). With the sale of the Roslyn Building, the City will no longer be receiving rental income from Spickler's Market (17 E. Franklin Street) or City of Hagerstown Parking Administrative Offices (25 E. Franklin Street). Additionally, the following rent contracts have expiration dates over the future projections through FY2023/24 as follows: Dept. of Labor, Licensing and Regulation expires in 2022; NIST expires in 2021; Hana Thai expires in 2023; and MOSH expired in early 2019, so no future rent is included in the projections beyond these dates.

Even though the City has rental properties, they are not self-sufficient enough to cover the expenses. The City will soon be at a point without positive cash flow. The Mayor and City Council has given permission to start selling off properties.

Total operating expenses (excluding depreciation) are expected to decrease by 2.4% from FY2018/19 budget compared to the FY2019/20 budget. This decrease is a result of less contracted services and maintenance costs of the properties primarily due to the sale of the Roslyn Building.

Depreciation expenses are expected to increase 18.8% from the FY2018/19 budget to the proposed FY2019/20 budget. During FY2019/20, the City invested in improvements for the Roslyn Building to help motivate a sale of this property.

Based on the assumptions for both revenues and expenses, the net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of \$ 80K in FY2018/19 estimated actual to a loss of \$180K in FY2019/20.

Doleman Black Heritage Museum Commercial Mortgage Note Review

A Commercial Mortgage Note and Commercial Mortgage for the Doleman Black Heritage Museum, Inc. were presented for the Mayor and City Council's review.

The proposed funding sources for the additional \$ 108,000.00 are from three areas: FY19 Economic Development Incentives, FY19 Invest Hagerstown, and FY20 Invest Hagerstown.

Mayor Bruchey asked if anyone had questions about the final draft documents.

Councilmember Aleshire asked how the funding sources fit within the category parameters of the Invest Hagerstown Program.

Jill Thompson, Director of Community and Economic Development, indicated this would be included in the City-wide redevelopment grants. Given the property is on the border of downtown, there could be an argument for it being eligible for City Center investment funds.

Councilmember Aleshire inquired if the program differentiates between profit and non-profit businesses. Ms. Thompson indicated she does not think it does. The funding is Mayor and City Council directed.

Ms. Hepburn stated when the project funding request was first discussed, staff reviewed where funds were available and whether it would be a grant or a loan. If the funding is from a source other than the incentive program, reductions would have to be made from operations or projects. She stated some of the loan incentive programs may establish 501 (c) 3 organizations as ineligible for funds.

Councilmember Aleshire stated he obviously wants to provide the funding requested but he wants to make sure it is consistent with the Invest Hagerstown guidelines. He does not want it to appear the additional tax revenue (from the apartment rate) as being used differently than what was established and stated last May.

Ms. Hepburn noted that customized incentives for specific projects have been approved by the Mayor and City Council in the past.

Councilmember Aleshire stated the guidelines indicate non-profits are ineligible for Invest Hagerstown funds. He does not want to be inconsistent with the parameters that have been established. He wants to provide the funding but with different funding sources.

Ms. Hepburn recalled the Mayor and City Council stated it would be an incentive in general. This project doesn't meet the criteria for the established incentive programs. Staff was directed by the City Administrator and the Mayor to identify the funding. With a customized incentive, an application would not be required.

Councilmember Aleshire does not want to compromise the additional tax revenue that was created by the tiered tax rate. Ms. Thompson stated the funds haven't been allocated to the individual programs yet so this would not be taking from the others.

Councilmember Keller stated she thought the funding was to be from FY20.

Ms. Thompson stated the guidelines could be revised to define eligibility for a commercial activity by a non-profit organization, rather than non-profit development.

Mayor Bruchey asked Ms. Hepburn for suggestions for identifying funding. Ms. Hepburn reminded the Mayor and City Council they said it would not be from Agency Contributions. The only other option would be from operating funds of individual departments.

Mr. Nicewarner summarized the discussion as consensus to utilize the remaining FY19 Incentive Funds for a portion of the funding, with the remainder coming from operating or Capital Improvement Project expenses.

Approval of the resolution and agreements scheduled for later during the meeting could still be made, without the funding sources being identified as written.

Innolith Energy Storage System Projects

Nancy Hausrath, Director of Utilities, Nathan Fridinger, Electric Operations Manager, Stephen Wiley, Innolith, and William Schofield, Customized Energy Solutions, were present to discuss lease agreements and tax exemptions for energy storage systems at Frederick Street Substation, Fairgrounds Substation, and Memorial Boulevard Substation sites.

Dating back to 2002, the Hagerstown Light Department (HLD) has enjoyed a long standing relationship with Customized Energy Solutions (CES) who formed the Public Power Coalition (PPC) as a liaison in regard to all PJM activities for Municipal and Co-operative Electric Utilities located in the PJM region. CES documents and reviews all PJM related information that is critical to the decision making process related to generation/transmission rulings by PJM.

Building on this relationship, in 2014 HLD and CES began a partnership involving utility scale Battery Energy Storage System (ESS). Three sites were chosen at Frederick Street, Fairgrounds, and Wesel Boulevard substations for interconnection of the ESS facilities with the HLD sub-transmission system. CES, together with two separate companies, Mitsubishi Heavy Industries (MHI) and Alevo, developed and consummated lease agreements and tax exemption resolutions with the City at the end of 2015. After remaining dormant for nearly a year, in November of 2016 MHI dropped interest in their project site located at Frederick Street substation and the lease was assigned to Alevo

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who would then hold the lease for all three sites known as Snook ESS LLC, Fairgrounds ESS LLC, and Wesel ESS LLC. Since February 2017, Snook ESS LLC has operated behind HLD metering facilities participating in the PJM regulation ancillary service market to provide system grid reliability services; specifically voltage and frequency support.

Snook ESS, LLC is currently in operation and maintained by an independent contractor despite the parent company, Alevo, having filed bankruptcy in late 2017. This asset of the former Alevo Company has been purchased by Innolith who, together with CES, has requested cancellation of the three exiting lease agreements, approval of three new lease agreements, and approval of three new resolutions for personal property tax exemption from the City. The sites will be the same with the exception of the Wesel ESS project being moved from Wesel Substation to HLD's former 4kv substation site located at 300 West Memorial Boulevard. Lease Agreement negotiations have been completed following review from staff, the City Attorney, Jason Morton, and HLD's FERC Legal Counsel Tom Rudebusch.

Changes between the existing and proposed lease agreements are minor. The initial term of the agreements is 10 years and contains options for 2 five year extensions if mutually agreed upon. Easements and rights of entry are granted at the site locations. The City possesses the option to request the removal of the equipment at the end of the agreement or for the equipment to remain in place. Innolith is responsible for the leased area and associated equipment maintenance, security, and safe operation. Commercial general liability and excess liability insurance are included. The HLD will receive a total up-front payment of \$ 10,000 and \$ 1,000 per month pre-construction fees for the Fairground and Memorial sites in addition to annual lease payments (post construction) as follows:

1. Innolith Snook LLC - \$ 12,000.96
2. Innolith Fairground LLC - \$ 26, 000.04
3. Innolith Memorial LLC - \$ 39,000.00

Additional revenues include sale of electricity for ESS loss and auxiliary service. Innolith has verbally committed to the utilization of local contractors when applicable during the construction process.

Councilmember Aleshire asked if there would be any impact on the work that was done to the Cultural Trail at Memorial Boulevard. Mr. Fridinger indicated the site is beyond the trail area.

Councilmember Aleshire does not want the site to be an eye sore since the area is partially residential.

Councilmember Keller asked what safety measures are in place for the sites. Mr. Wiley indicated the components are non-flammable and non-combustible. There will be fire suppression equipment on site.

Councilmember Aleshire asked about upkeep of the sites. Mr. Wiley stated there would likely be a technician working in the area at a new warehouse facility, as well as two other full time employees. They have located warehouse space near Williamsport, Maryland.

It was the general consensus of the Mayor and City Council to move forward with the lease agreements and tax exemptions with Innolith.

Synagro Project – Phase 1B and Phase 2

Nancy Hausrath, Director of Utilities, and Joe Moss, Wastewater Operations Manager, were present to provide an update of the Synagro Project – Phase 1B and Phase 2.

As reported in October, 2018, work continues on the Sludge Handling Rehabilitation Project as part of the contractual agreement with Synagro, Phase 1 Part 1 (Sludge Storage) is complete and Phase 1 Part II (Sludge Thickening) is nearing completion. Work is ongoing for the Phase II portion (Dryer Rehabilitation).

Staff continues to work with the Construction Project Team (Synagro, Johnston Construction, and GHD Engineering) to ensure both the contractual obligations to include the project budget are being met.

In August and October 2018, staff prepared and presented project updates which included an increase in the project budget from \$ 5,100,000 to \$ 10,531,441. Staff also included this project in the five year rate plan for FY20-FY24 – the assumption used in the rate model was the revised project cost of \$ 10,531,441.

This project required significant engineering efforts for planning, design, and coordination in order to meet the City’s original critical success factors for the project, which included:

1. Providing for a further 20 years of operational life for the entire system
2. Restoring original rated production capacity (i.e. remove bottlenecks)
3. Maintaining current sludge processing methods and pellet quality
4. Making cost-effective investment decisions
5. Maintaining compliance with regulatory agencies
6. Improving odor containment and control

When completed the project will allow for consistent and reliable solids processing in accordance with all applicable regulations (operational and safety).

It was the general consensus to include approval of Phase 1B and Phase 2 of the Synagro Project on the May 28, 2019 Regular Session agenda.

CHIEF Request for Exception to City Water and Wastewater Policy

Jill Thompson, Director of Community and Economic Development, Nancy Hausrath, Director of Utilities, and Kathleen Maher, Director of Planning and Code Administration, were present to discuss the request by CHIEF for an exception to the City's Water and Wastewater Policy as a vital economic development project (Except #6). This discussion is a follow up to the March 12, 2019 Work Session.

Exception #6 provides for service approval for "a vital economic development project located in a targeted area for industrial and/or non-retail commercial development." Staff seek further discussion and clarification related to the following aspects:

1. If additional definition or criteria are needed to clarify what is intended as a vital economic development project
2. A review of the ability for development to be supported by water wells, and a review of the ability to obtain Health Department approval for wells so long as there is no credible threat of water contamination
3. If the policy should maintain that this exception is limited to industrial and/or non-retail commercial development
4. If the City desires to retract the MRGA in one or more locations so as to expand it in one or more other locations

Greg Snook, President of CHIEF, was also present. He stated CHIEF is requesting water service for the business park at the airport. When the park was established in the 1980s, water service was reviewed and provided. There have been no further extensions of the water lines from the original placement. The request being discussed today is for a 100 room hotel, to be owned by Raj Patel (who was also present).

Dr. Diana Gaviria, Deputy Health Officer, Robert Kutchman, Well/Septic Program Supervisor, and Sara Lou Trescott, Director of Environmental Health, were also present representing the Washington County Health Department.

The zoning classification of the property dictates the use. The zoning for this property has not been changed. He stated the R. C. Willson Water Plant was constructed to handle 22 million gallons per day and there is ample capacity for this project. He noted other development will occur on South Drive at some point in the future.

Councilmember Heffernan stated he is interested in seeing what can be done to extend the MRGA to the State Line.

Mr. Snook pointed out exceptions have been granted to Pen Mar Realtors and Erie Insurance in that area. The water line has been maintained by the City of Hagerstown for 30 years.

Ms. Maher stated Comprehensive Plans typically refer to airports but the Hagerstown Airport is not included in the City's plan. In 2008, it was determined that not including the airport in the update would create an opportunity for conversation. She believes a joint discussion with the County would be appropriate before any MRGA boundaries are retracted or extended. County representatives were adamant about limiting retracting the boundary on the west side of Hagerstown.

Councilmember Aleshire stated the MRGA has been adjusted over the years and included full properties. The County recognized there was a need for water to some of the economic development zones. He would be happy to include the airport within a new boundary line, but the line has to be adjusted/reduced in another area that isn't as economically driven. He believes some property owners are influencing the County Commissioners to keep their properties within the Urban Growth Area.

Ms. Maher stated another consideration is whether or not upgrading the water lines would make the farmland eligible for development.

Ms. Hausrath pointed out the question is not only about water capacity, it is also about delivery of the water.

Councilmember Aleshire was hoping to have a discussion of the MRGA.

Mr. Snook questioned why the line can't be used because something changed, even though it has been there for many years.

Councilmember Aleshire stated this request requires a discussion of giving greater consideration to this area as opposed to the established boundary.

In order to officially amend the growth plan, the Comprehensive Plan has to be amended. The City was not invited to make comments on a change to the boundary.

Mayor Bruchey asked if this business park fits the description of Exception #6.

Ms. Maher stated the location does, but the language restricts serving the users that are coming in behind the hotel. Mr. Snook stated there will be retail uses but not industrial uses. This is partly because zoning doesn't allow it.

Mr. Snook asked if the definition of vital is jobs or an increase to the tax base. The hotel and other development plans are estimated to be a \$ 40 million project.

Ms. Maher stated the concern of having the capacity to supply the required amount of water when extending service has to be considered.

Ms. Thompson stated there is a customer with a retail component that staff told their request does not fit within Exception #6. She suggested having a discussion about revising the guidelines.

Councilmember Aleshire agreed the requirements for a hotel have to be discussed.

Ms. Hausrath stated the level fire suppression systems have to be included in the discussion. Questions such as who is responsible, height restrictions for water tanks, etc. have to be considered.

Mr. Patel noted his Microtel Hotels have booster pumps for the sprinkler systems. Councilmember Aleshire stated water is still being drawn from the line. Mr. Patel stated they have water storage tanks.

Mr. Snook stated the Health Department denied Pen Mar Realtors' request for a well in 2015 based on the fact there was a water line at the property.

Ms. Trescott stated any time there is a water line in the proximity of the property, it should be connected.

Councilmember Aleshire pointed out the Maryland Department of the Environment, along with the Maryland State Planning office, states the municipal government has the ability to define their service boundaries. He wondered what happens if the Health Department denies a well permit.

Councilmember Aleshire stated the State does not allow municipalities to write a service plan and the City doesn't write its plan to extend the services, it is completed by the County. It would make more sense to him if the State would direct the owners of the services to create the plan. It seems odd to him that the County dictates the plan, has identified this as a growth area, and the City is obligated to provide service.

Councilmember Keller and Councilmember McIntire both believe this conversation needs to be held jointly with the County Commissioners.

Councilmember Aleshire asked what would be required to accommodate this request. Ms. Hausrath indicated the water system will eventually need to be upgraded to provide service to other parties.

Councilmember Aleshire suggested approaching the County and making the necessary changes. He would consider approving this request and revising the guidelines.

Mr. Snook stated a request for a retail use is pending for the same area.

Staff will return for a discussion about revising the guidelines and with a draft motion for approving this request.

72nd Special Session – May 21, 2019

On a motion duly made by Councilmember K. B. Aleshire and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed by voice vote of all members present to meet in Special Session at 6:19 p.m.

Approval of an Ordinance: Tax Rates Beginning July 1, 2019

Action: On a motion duly made by Councilmember K. B. Aleshire and seconded by Councilmember A. Heffernan, the Mayor and City Council unanimously agreed by voice vote of all members present to approve an ordinance to establish the City's tax rates for the fiscal year July 1, 2019 through June 30, 2020 on the basis of \$ 1.002 per \$ 100 of assessed value of all real property excluding properties designated as Apartments which will be \$ 1.032 per \$ 100 of assessed value and \$ 2.505 per \$ 100 of assessed value of all business personal property within the City of Hagerstown. These rates are the same as current FY19 rates.

Approval of an Ordinance: Budget FY 2019/20

Action: On a motion duly made by Councilmember A. Heffernan and seconded by Councilmember E. Keller, the Mayor and City Council unanimously agreed by voice vote of all members present to approve an ordinance on May 21, 2019 to adopt the City's budget for fiscal year July 1, 2019 through June 30, 2020 in the total amount of \$ 143,194,725.

Approval of an Ordinance: Authorizing the Sale of 64 E. Franklin Street for the City's Community Development Block Grant Homeownership Program – Community's City Center Plan Catalytic Project #8

Action: On a motion duly made by Councilmember K. B. Aleshire and seconded by Councilmember A. Heffernan, the Mayor and City Council unanimously agreed by voice vote of all members present to approve an ordinance authorizing the sale of property located at 64 East Franklin Street for the City's CDBG Homeownership Program. The property will be conveyed to Tameeka J. Mitchell for a sale price of \$ 130,000. The sale will be in accordance with all terms and conditions listed in the purchase agreement.

Approval of a Resolution: Commercial Mortgage Note and Commercial Mortgage to the Doleman Black Heritage Museum, Inc. (DBHM)

Action: On a motion duly made by Councilmember K. B. Aleshire and seconded by Councilmember E. Keller, the Mayor and City Council unanimously agreed by voice vote of all members present to approve a resolution authorizing the execution and delivery of a Commercial Mortgage Note and Commercial Mortgage to the Doleman Black Heritage Museum, Inc. The agreement will provide an additional \$ 108,000.00 for the purchase of the property at 465 Pennsylvania Avenue.

Note: The original motion included funding sources, which were removed from the action.

**Approval of Amendments to FY18 and FY19 Community Development Block
Grant Annual Action Plans**

Action: On a motion duly made by Councilmember K. B. Aleshire and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed by voice vote of all members present to amend the FY18 and FY19 Community Development Block Grant Annual Action Plans in order to reallocate available CDBG funding from capital projects completed under budget. \$ 25,000 of CDBG funding will be allocated for reconstruction of the Wheaton Park basketball courts and \$ 17,000 of CDBG funding will be allocated for Homeowner Emergency Repairs. Details of the CDBG amendments are included in the meeting packet.

CITY ADMINISTRATOR'S COMMENTS

Scott A. Nicewarner, City Administrator, reminded everyone that City offices will be closed on Monday, May 27, 2019 in observance of Memorial Day.

MAYOR AND COUNCIL COMMENTS

Councilmember S. McIntire gave a shout out to the City's code inspectors. She received a compliment about the service recently. She feels there needs to be a discussion about the stadium. There is already skepticism surrounding the information. She doesn't know who needs to be involved but a discussion should be held before the next meeting in June. It is important to decide whether or not this is an economic development project. It is not a baseball stadium issue for her.

Councilmember E. Keller agrees that a joint discussion needs to be held with Greater Hagerstown, the CVB, the Chamber of Commerce and others regarding the stadium. If this project is to succeed, everyone will have to be moving in the same direction.

Councilmember A. Heffernan stated the rhetoric needs to be changed. When he thinks of the economic development potential of this project, he doesn't necessarily think of baseball. He views it as a multi-use facility. It could be a place for concerts and other activities as well as baseball. What this project is to the hub of economic development needs to be defined. The public needs to understand what the Mayor and City Council's vision is.

Councilmember Keller stated they each seem to have different visions. A unified goal is needed.

Councilmember McIntire does not want to make a decision to move on to Phase 2 at the June 11, 2019 meeting when she doesn't feel they are ready to approve that action. She believes the MSA study and attracting a new owner is a good start. She wants the project to be successful.

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MAYOR AND CITY COUNCIL

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Councilmember K. B. Aleshire had no additional comments.

Mayor R. E. Bruchey, II had no additional comments.

There being no further business to come before the Mayor and City Council, on a motion duly made, seconded and passed, the meeting was adjourned at 6:31 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: June 18, 2019