

EXECUTIVE SESSION – October 6, 2020

Councilmember E. Keller made a motion to meet in closed session 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 consult with counsel to obtain legal advice, #7 (Section 3-305(b)), on Tuesday, October 6, 2020 at 3:00 p.m. in the Council Chamber, 2nd floor, City Hall, Hagerstown, Maryland. Councilmember S. McIntire seconded the motion.

Motion carried 3-1, with Councilmember K. B. Aleshire voting No.

The following people were in attendance: Mayor R. E. Bruchey, II, Councilmember K. B. Aleshire, Councilmember A. Heffernan, Councilmember E. Keller, Councilmember L. C. Metzner, Councilmember S. McIntire, City Administrator Scott Nicewarner, Jason Morton, City Attorney, Michelle Hepburn, Director of Finance, Jill Thompson, Director of Community and Economic Development, Rodney Tissue, City Engineer, Doug Reaser, Business Development Specialist, Nancy Hausrath, Director of Utilities, Nathan Fridinger, Electric Operations Manager, and Donna K. Spickler, City Clerk. Councilmember L. C. Metzner was not present at the time of the vote.

The meeting was held to discuss a business proposal, to negotiate an agreement, and three items seeking legal advice. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the meeting was adjourned at 4:00 p.m.

Members of the Mayor and City Council and City staff attended a dedication of the mural on the basketball court at Wheaton Park at 4:10 p.m.

WORK SESSION – October 6, 2020

Mayor R. E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:20 p.m., Tuesday, October 6, 2020 in the Council Chamber at City Hall. Participating with the Mayor were Councilmembers K. B. Aleshire, A. Heffernan, E. Keller, L. C. Metzner, and S. McIntire, City Administrator Scott A. Nicewarner, and City Clerk D. K. Spickler.

Proclamation – Fire Prevention Month

Mayor Bruchey read a proclamation recognizing October, 2020 as Fire Prevention Month in Hagerstown, Maryland. The theme for this year's recognition is "Serve Up Fire Safety in the Kitchen". Doug DeHaven, Fire Marshall, accepted the proclamation. Mr. DeHaven stated this year's theme is very appropriate, as kitchen fires remain the largest cause of home fires.

Paul Frey, CEO/President of Washington County Chamber of Commerce, and James Kercheval, Executive Director Greater Hagerstown Committee, were present

Mr. Kercheval stated this General Session will be unusual in terms of how public input and access is handled. There may be receptions held offsite, but no one is sure if these events would be well attended. Even though the annual Day in Annapolis event is likely to be cancelled, the Coalition will still be in Annapolis, making sure the interests of the group are known. Because the sessions will be least transparent in history, the need for someone with their “ear to the ground” is even more important.

Items of special interest will be funding for education and police reform. Items specific for the Washington County Coalition include the following:

1. I-81 Widening and interchange improvements
2. Public Safety Training Facility
3. Transit study for commuter train
4. Multi-use Sports and Event Center
5. Jonathan Street community projects
6. Tourism – Williamsport – Interior work for the National Park Service headquarters and Visitor’s Center
7. CVB – Legislation that would propel the Department of Natural Resources to determine ownership for properties along the proposed South County Rail Trail
8. CVB – Tourism Welcome Center on I-81 – Feasibility Study
9. Education – track funding for USMH
10. Washington County- Medicaid reimbursement for ambulance companies. This may be a joint effort.
11. Prisoner Release
12. Gaming Revenue Protection
13. Shifting liability from State to Counties
14. UIP – The last installment of \$ 2.2 million is scheduled for this fiscal year
15. Highway User Revenue – Funding has to be maintained to keep roads up to date
16. K-12 Instruction funding – Kerwin Initiative

Mr. Kercheval stated items can still be added to the list. He announced that November 10, 2020 is the annual Washington County Delegation meeting day in Washington County.

Councilmember Heffernan stated the City has been working for some time to figure out what can be done to discourage drug houses in Hagerstown. Mayor and City Council members and City staff have been reviewing ordinances from other municipalities that have been successful in eliminating drug houses. In Martinsburg, the City can close down the house and penalize property owners who allow their properties to become drug houses and require them to clean them up. He is very concerned that drug residue, such as Fentanyl, would still be in the house when a new tenant moves in. It has been found

that the City cannot legislate a stiffer penalty than what the State of Maryland has imposed. He asked for assistance from the Coalition to urge the State to impose stiffer regulations and fines. Mr. Kercheval suggested providing the ordinances from other jurisdictions to the group at the next Coalition meeting for review.

Mr. Frey reported the current partners in the Coalition have agreed to move forward and retain their partnership and to retain the lobbyist. He asked the Mayor and City Council to continue to be a partner in the Coalition.

Mr. Kercheval thanked Eric Hastings, City TV Production/Web Coordinator, for his assistance with creating the legislative package provided to Legislators during the session.

It was the general consensus of the Mayor and City Council to continue to be a partner in the Washington County Coalition.

Since the agenda is always fluid and changing, Mr. Kercheval noted the new administration could add items. Early legislation will be even more important during the coming session.

Mr. Nicewarner informed the group the broadcast of this meeting is experiencing technical difficulties. Staff are working to correct the problem.

Request for Demolition Assistance Grant for 341 Jonathan Street – Pastor Pamela Parson

Scott Nicewarner, City Administrator, stated the City has received a request, through the Mayor, for assistance from Pastor Pamela Parson of the Jonathan Street House of Prayer to provide a \$ 5,000 grant to aid in the costs for demolition of their building at 341 Jonathan Street.

This request is an unusual one in that the City does not generally provide demo assistance if the owner is looking to maintain ownership of their land for re-use. Pastor Parson is planning to demo the structure, purchase the adjoining land, and build a new facility that will act as more a social center than just a church. This use would require a zoning change that could be dealt with after demolition, as the building is in a shape that requires demolition vs. rehabilitation.

The normal procedure for demolition is for funds being provided in the form of (1) loan with payback parameters over a negotiated number of years, (2) a grant that would have a tax lien placed on the parcel, or (3) City would abate the demo cost and place that cost as a tax lien on the parcel. This request is for a grant of \$ 5,000 with no payback and no lien.

Staff is looking for approval to provide Pastor Parson with \$ 5,000 for demolition of 341 Jonathan Street. Total cost to demo is \$ 17,000. Grant money would come from the

PCAD Demolition line item in the FY21 budget. A formal motion for approval/denial would occur during the Special Session scheduled for October 13, 2020.

Mayor Bruchey asked Pastor Parson, who was present, if she had anything to add. Pastor Parson noted her contractor, from Frederick, Maryland, is with her. He has indicated the cost for the full demolition project is \$ 17,000, not \$ 5,000 as she originally was told. She has paid \$ 5,567 as a down payment for the work and the contractor is requesting the balance when the project is complete. She is now asking for \$ 12,000 from the City since the church has no funds and has not been able to do fundraising until last week due to the pandemic.

The contractor stated the complete job is taking the building to the ground and then erecting a pole building. When finished, the building will have space for community activities. The project will be completed in three phases.

Councilmember Heffernan asked for confirmation of the total amount being requested. Pastor Parson stated the amount requested is \$ 11,567. The building is still a liability and a danger for anyone to be around. She would like to get it demolished as quickly as possible.

Councilmember Metzner asked how the project was bid. Pastor Parson stated the contractor's father quoted a price of \$ 5,000. He was going to do the work at a lower cost to help the church. He has had health issues and is not able to do the work so he turned the job over to his son, who quoted the price of \$ 17,000. Several years ago, she had quotes of \$ 30,000 to \$ 35,000.

Councilmember Metzner pointed out if tax dollars are going to be used to grant this request, the City's bidding policy should be followed.

Pastor Parson indicated she has been holding services in a hotel.

Councilmember Heffernan stated competitive bids are needed to complete due diligence by the City. He asked if the building has any historical value. Pastor Parson indicated it does not.

Councilmember Aleshire asked if this project is eligible for the abatement budget line item. Mr. Nicewarner stated, under the conditions he mentioned, it would be outside the parameters of the abate and lien line item. A grant program for this type of request has not been established.

Councilmember Aleshire pointed out there are likely other property owners who would like to request this type of funding. Mr. Nicewarner stated that is a concern but there is no doubt that removing this type of blight is beneficial to neighborhoods. The Planning and Code Administration department is looking at ways to implement a program for this type of abatement of blight. A draft proposal will be ready for Mayor and City Council review in the next few months.

Councilmember Aleshire stated applying Option 3 – the City abate the cost and place a tax lien on the parcel – is the only way he can think of to do this without having a program in place.

Mr. Nicewarner stated the Mayor and City Council could decide to grant the request for the \$ 5,000 or the \$ 11,000 could fall under one program and be abated under a new program.

Mayor Bruchey stated the cost seems questionable. Any program should have a stipulation that the property is reused for a taxable purpose within a specific time frame.

Pastor Parson indicated she is paying taxes now. When the services are back at that property, it will be tax exempt. The outreach program has not been operational because the hotel owner did not want it held at his property. She is a product of the community and wants to help others.

Mayor Bruchey asked how the City abates a property. Paul Fulk, Neighborhood Services Manager, stated bids are requested for the work from contractors. Typically, the lowest bid is brought to the Mayor and City Council for their approval. The only time the work is completed prior to Mayor and City Council approval is if the building is falling down into the street. Mr. Nicewarner stated the lien is applied to the tax bill as soon as the demolition is confirmed. Ms. Hepburn noted the lien would come due during the following tax year.

Mayor Bruchey asked if there are times when the lien is forgiven. Councilmember Keller would like to discuss that possibility. Mr. Nicewarner indicated the lien can be waived.

Councilmember Metzner stated this is a property that is a blight to the community and the building needs to be demolished.

Mr. Nicewarner stated the owners have been good to work with and he is glad they are at a point where they can take this action. He noted this request is outside the bounds of what has been done in the past. He would like to see it returned to a productive use and not remain as an empty lot.

Councilmember Aleshire stated betterment of the community is the key point. Removal is the primary goal for him and being reimbursed for funding is secondary.

It was the general consensus to have City staff follow the normal abatement process and add the cost of abatement as a lien on the tax bill.

Councilmember Aleshire pointed out he has recommended an initiative in which the tax rate is increased by one penny for additional funding to be used for removal of blight in neighborhoods. The increase would be an average of \$ 12 per year for each tax payer. He would be happy to pay the additional taxes if blight was addressed.

FY 2021 Community Legacy and Strategic Demolition Fund Applications

Megan Flick, Planner, was present to seek authorization from the Mayor and City Council to begin the process to submit FY 2021 applications to the State's Community Legacy Program and Strategic Demolition Fund as well as adoption of a resolution in support of the City's applications. The deadline for grant applications is October 15, 2020. Staff is bringing the grant requests for Mayor and City Council support at this Work Session and approval of resolutions would be scheduled for October 27, 2020.

The goals of the programs are to provide funding to local governments and community development organizations for essential projects aimed at strengthening declining urban areas through a comprehensive approach that includes activities such as business retention and attraction, encouraging home-ownership and rehabilitation, and commercial revitalization. Projects must be consistent with the goals and strategies outlined in the City's Sustainable Community Plan and the projects must be located in the City's Sustainable Community Area.

Community Legacy funds may be used only for capital projects – bricks and mortar projects or loan/grant programs for brick and mortar projects. The City's Community Legacy representative at the State has indicated that projects must be ready to go and be completed within two years. While there is no matching requirement, the application needs to show that the project will leverage other funds. The Strategic Demolition Fund may be used for pre-construction costs of a project – acquisition, demolition, architectural and engineering services, etc. and the matching requirement is 25%.

The proposal for applications to Community Legacy this year is to request funding for the following:

1. Upper Floor Market Rate Housing Development Fund, 12-40 unit projects, Grant Request \$ 750,000 - \$ 1,500,000, developer providing local match
2. CDC Acquisition/Rehab of Vacant, Blighted Buildings Fund, Grant Request \$ 200,000, CDBG providing local match
3. Broadband Fit-Out to facilitate Distance Learning and Job Development at community accessible non-profit facilities, Grant Request \$ 100,000, no match

The proposal for applications to the Strategic Demolition Fund this year is to re-apply as a pass-through for the Doleman Black Heritage Museum for \$ 250,000. The match, of 25%, will be provided by the Doleman Black Heritage Museum. This would cover the \$ 120,000 acquisition cost of 465 Pennsylvania Avenue and the projected need of \$ 130,000 for architectural services. The last two years, the SDF application for this project was not successful and the museum has requested the City apply again this year.

Preservation Maryland and the Western Maryland Community Development Corporation are requesting that the City of Hagerstown be a "co-applicant" for Strategic Demolition Funding, a program of Maryland's Department of Housing and Community Development (DHCD), to support pre-development and development activities in the Jonathan Street neighborhood. The grant will request up to \$ 500,000 in funding to

support redevelopment activities including acquisition, architectural and engineering, feasibility studies, stabilization and rehabilitation for up to four structures which may include the Caretakers Cottage in Wheaton Park. If the grant application is successful, the applicant partners will work with the community on priorities for investment. Identifying the community's assets and building a consensus about appropriate actions to preserve the community will be done through a process known as Community Asset Mapping. This community engagement strategy will lead to an appreciation of the community's historic significance which, in turn, will foster a sense of community pride and civic engagement. Preservation Maryland has secured private funding for this community engagement strategy that will be used as match funding for the application.

Mayor Bruchey stated Secretary Holt has requested the City to be part of this and is willing to provide funding to the project.

A listing of Hagerstown's past Community Legacy and Strategic Demolition awards was also included in the meeting material.

It was the general consensus to apply for the grant funding as presented.

Renewal of Rental Contract with NIST for Use of Space in Elizabeth Hager Center

Jonathan Kerns, Community Development Manager, was present to seek approval to renew a rental contract agreement with the National Institute of Standards and Technology (NIST) for use of space in the Elizabeth Hager Center. The term of the proposed rental contract is for one year with renewal options for up to four additional years.

For several years, NIST has been utilizing space in the Elizabeth Hager Center to serve as a continuity of operations site (commonly referred to as a COOP). The new rental contract allows for NIST staff to conduct emergency drills in the Elizabeth Hager Center up to four times per year. NIST staff may also use the Elizabeth Hager Center if an actual emergency event would prevent use of NIST offices in Gaithersburg, Maryland.

The previous rental contract agreement with NIST was approved by the Mayor and City Council in December of 2016 and the contract included one year renewal options through December of 2021. The contract required NIST to pay the City an annual rent payment of \$ 13,848 and the annual payment would increase to \$ 14,476 in 2020 and 2021. Due to an administrative error with NIST's internal staff process for extending this contract, the contract has now expired and a new contract must be executed.

Key terms and conditions of the proposed rental contract include the following:

1. Contract to be effective from October 2020 through October 2021
2. Annual rent charge of \$ 15,344
3. One year renewal options that could extend the contract through October 2025
4. Annual rent charge would increase in option year 3 and option year 4 to

Staff has worked with the City Attorney and NIST representatives to review all terms of the proposed rental contract. If City staff is directed to move forward with the NIST contract, a resolution approving the contract will be scheduled for approval during an October special session.

It was the general consensus to include approval of the rental contract renewal on the October 25, 2020 Regular Session agenda.

Additional Community Development Block Grant CARES Act Funding Allocation (CDBG-CV)

Jonathan Kerns, Community Development Manager, was present to discuss proposed next steps for a second allocation of CDBG-CV funding being awarded to the City through the Federal CARES Act legislation.

In early April, the City received written correspondence from the U. S. Department of Housing and Urban Development (HUD) regarding a special allocation of CDBG-CV funding being awarded to the City in the amount of \$ 472,845. This CDBG-CV funding as a result of the Federal CARES Act legislation in response to the COVID-19 pandemic. A second allocation of CDBG-CV funding was to be announced at a later date.

Staff recently received formal HUD notification that the City will be awarded a second allocation of CDBG-CV funding in the amount of \$ 274,365. Like the first CDBG-CV allocation, the second allocation of CDBG-CV funding must be used via standard CDBG activities that also prevent, prepare for, or respond to the COVID-19 pandemic. These activities still must meet CDBG national objective requirements with the primary national objective being a benefit to low/moderate income citizens.

For the City's first allocation of CDBG-CV funding, non-profit service providers were given the opportunity to submit applications to seek CDBG-CV funding for public service activities that provide assistance to COVID-19 impacted, CDBG eligible clientele. After an application period and review process, the City Council approved CDBG-CV funding awards to local non-profit organizations as follows:

1. Washington County Community Action Council Housing Stability Program (mortgage payment assistance and/or rent payment assistance) - \$ 350,245
2. Washington County Community Action Council and Horizon Goodwill Housing Short-Term Housing Stability Funding and Food Resource Funding - \$ 58,900 (this funding is administered in partnership with Horizon Goodwill and the Washington County Community Action Council is the lead agency)
3. Washington County Community Action Council Food Resources for Food Pantry Program - \$ 25,300
4. Washington County Commission on Aging Food Resources for Seniors - \$ 17,300
5. Girls Inc. Food Resources for Girls Inc. Members - \$ 21,100

During the initial application process for local non-profit organizations, total CDBG-CV funding requests exceeded available CDBG-CV funding. The initial CDBG-CV award amounts were based on an across the board reduction proportional to the requested amount of funding for each service.

CDBG-CV funding has been allocated to states and cities nationwide. After researching a random sample of CDBG-CV funded cities throughout the country, the majority of CDBG-CV funded programming is targeted for public service assistance programs (housing subsistence payments, homelessness services, food resource services) and business assistance programs. Hagerstown's initial CDBG-CV allocations for housing stability services and food resource services appear to be in line with many CDBG-CV funded activities nationwide.

Based on the common practice for CDBG-CV programming noted above and based on guidance from the HUD Baltimore Field Office, the recommended next steps for allocating the recently awarded CDBG-CV funding are:

1. Review progress of current CDBG-CV recipients (Girls Inc., Washington County Commission on Aging, Washington County Community Action Council) to discuss their demand for CDBG-CV funded services thus far after initial CDBG-CV award from July 2020.
2. If deemed appropriate by Mayor and City Council, the second allocation of CDBG-CV funding can be distributed to each non-profit recipient that received initial allocation of CDBG-CV funding without the need for a new application process.
3. If distributed to initial CDBG-CV non-profit recipients, newly available CDBG-CV funding could be distributed in amounts proportional to the first awards or funding could be awarded based on most critical need.
4. After Mayor and City Council decision on second CDBG-CV allocation, a CDBG-CV amendment reflecting planned expenditures for the new CDBG-CV funding must be advertised – 5 day public comment period required.
5. After required comment period, CDBG-CV amendments will be submitted to HUD for approval.

Staff is currently in the process of retrieving information from existing non-profit service providers that receive the initial CDBG-CV awards.

Mr. Kerns reported the recipients of the funding are finding the need is less than they anticipated. However, there could be a housing crisis as eviction moratoriums are eased.

Councilmember Heffernan asked if this funding could be used to construct public restroom facilities downtown that would help decrease the transmission of communicable disease by providing an appropriate place for people to use as a bathroom. Mr. Kerns would have to review this with the City's HUD Representative. It is a unique idea. He noted HUD may question whether or not this is a true pandemic need, since it was discussed previously.

Councilmember Heffernan would like to know if this is an eligible expense. He suggested it could be a homeless outreach, with staffing through the Bridge of Change program.

Mr. Kerns stated the project may be eligible for a different initiative, if not this one.

Councilmember Keller asked if the funding could be held, in case other needs are known as time goes on. Mr. Kerns indicated it does not have to be spent right away. He anticipates housing stability will be a challenge throughout the pandemic.

CITY ADMINISTRATOR'S COMMENTS

Scott A. Nicewarner, City Administrator, announced, with the Mayor and City Council's assistance and dedication, Hagerstown has been named a Maryland Municipal League Banner City, after a several year absence on the list. South Potomac Street will be closed for outdoor dining on both Saturday (4:00 p.m. to 9:00 p.m.) and Sunday (11:30 a.m. to 3:00 p.m.) for the next two weekends. Due to events at the Maryland Theatre and the need for access to the handicap entrance, the street will not be closed the weekend of October 24 and October 25, 2020. Staff is reviewing ideas for additional closures in November.

MAYOR AND COUNCIL COMMENTS

Councilmember S. McIntire noted it was a great week in Hagerstown, with three ribbon cuttings and two grand openings. These events are encouraging. Members of the Mayor and City Council have all received emails from residents who are greatly concerned about the apparent illegal activity at the Sheetz on Canon Avenue. She understands their frustration and feels the same way. Something has to be done to figure out a way to eliminate the issues that are occurring. This should not be happening anywhere in Hagerstown.

Councilmember L. C. Metzner had no additional comments.

Councilmember E. Keller is also concerned about the activity at the Sheetz store. She wonders if the owner can be held responsible for anything that is happening there.

Councilmember A. Heffernan stated after the January incident at Sheetz (citizens spoke at the January 28, 2020 Regular Session about the incident), police officers attempted to get video footage from the Sheetz Corporate office. When they finally received the footage, the video was not from the correct angle to show the reported attack. The Mayor and City Council need to take action as a body to stop the activity.

Councilmember K. B. Aleshire had the opportunity to participate in the Par Fore Pink event at the Greens at Hamilton Run. He gave a shout out to staff who clearly keep the course in great condition. The people he was playing with were very impressed with the course.

Mayor R. E. Bruchey, II knows Chief Kifer, Captain Alexander, Sergeant Knode, Lieutenant Renner, and Sergeant Lehman are tired of hearing from him about the problems at the Sheetz store. During a recent surveillance, someone was charged with a handgun violation. It is a difficult situation because the police can't infringe on people's rights yet they are trying to satisfy the homeowners and assist the business. He has suggested turning off the WIFI at Sheetz to stop that line of communication.

Mayor Bruchey noted great things are happening on Wesel Boulevard. NorthPoint is making great progress on the project and a groundbreaking ceremony is being held on October 7, 2020. This \$ 139 million investment will bring over 1,200 jobs to the community. The cooperation and partnership between the City, the County, the State, and private entities has been tremendous.

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 5:35 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: November 17, 2020