

A dedication of Moller's Sustained Wind Sculpture at the Hagerstown Cultural Trail was held at 3:00 p.m. Members of the Mayor and City Council attended this dedication.

SPECIAL SESSION (8<sup>TH</sup> VOTING SESSION), EXECUTIVE SESSION AND WORK SESSION – APRIL 6, 2021

Mayor E. Keller called this Special Session (8<sup>th</sup> Voting Session), Work Session, and Executive Session of the Mayor and City Council to order at 4:00 p.m., Tuesday, April 6, 2021 in the Council Chamber at City Hall. Participating with the Mayor were Councilmembers K. B. Aleshire, R. E. Bruchey, II, T. Burnett, T. Martinez, and S. McIntire, City Administrator Scott A. Nicewarner, and City Clerk D. K. Spickler.

WORK SESSION – April 6, 2021

FY22 Budget Review

Scott Nicewarner, City Administrator, stated when the FY 21 Budget Message was written, no one could have anticipated the ramifications the COVID-19 pandemic would have upon the revenues, expenses, and operations of the City. The first virtual meeting of the Mayor and City Council was held in April, 2020. Now, 12 months later, there is still uncertainty with the budget but in a different way. Local governments are set to receive one-time funds for pandemic relief but the requirements and restrictions for use of the funds have not been finalized. Similar to last year, this proposed budget is presented with information that is available at this time, with the anticipation of amendments throughout the budget year. A strategy for use of these funds has not been developed yet. Staff will look at innovative ways to not only prioritize those projects that will provide the most impact to City residents, but also ways in which to ensure that there will be multiple years of assisted sustainability while the overall tax and other revenue bases recover. These one-time funds have a time limit for use that staff will work to ensure is met while also putting this money to the most effective use.

Mr. Nicewarner announced that, with the efforts to be made to fulfill the critical areas the Mayor and City Council have expressed as their priorities moving forward will be done in FY22 without a tax increase to residents. The challenges remain, including a slow to recover assessable real property base, a business community impacted financially by the pandemic, and a public safety staff that is being met with increased restrictions related to the rules and regulations from which they operate. However, this budget, and the processes/regulatory enhancements associated with it, will work to transform the City and the government to be representative and accountable to residents as never before.

In advance of the Mayor and City Council's Strategic Management Plan, Mr. Nicewarner noted there are four themes that will be helpful in developing a plan.

1. **Reinvention and Rethinking City Operations** – As the needs of citizens and staff evolve, and the unfunded mandates from State and Federal government force us to continually evaluate our financial resources, it is critical that we identify and put into place changes to how we operate so that we streamline operations, eliminate redundant or no longer necessary processes, establish new, more productive processes, and continue to move the City forward.

Taking action to ensure the City is a diverse and inclusive community is a key principle. A staff group was formed in 2020 to discuss diversity and inclusiveness. This group will also be reviewing the City's hiring practices.

2. **Raising Up Our Neighborhoods** – The City must identify ways to raise its assessed values of properties within all its neighborhoods, but especially in the urban core.
3. **Stewardship of City Taxpayers Dollar** – The Mayor and Council have shown through past practice the seriousness of this responsibly. Staff will continue to fight for City residents and taxpayers to ensure they are receiving full service credit for their tax dollars in the City and in the County.
4. **Maintaining Momentum of Economic Development** – Arguable, it may be stated that within the operation of a municipality, all programs and priorities ultimately lead to the ability of that government to attract and retain businesses and commercial constituents. Our recognition that economic development goes beyond business and to our residential neighborhoods makes it important to ensure that our housing options are of the highest quality for all levels of wage earners.

Momentum with private partners have continued through the pandemic. This is the foundation of economic sustainability. Small businesses have been hit hard as shutdowns were mandated. Staff will assist these businesses as much as possible. American Rescue Funds (ARC) will be available for new and existing businesses as well.

The newly elected Mayor and City Council, as one of their first initiatives, implemented a Community Survey that is currently underway. There are two phases of this survey. Phase One involves the random selection of equal numbers of potential respondents in each of the four quadrants of the City. This process was selected to ensure at least the opportunity to receive proportional numbers of responses from these areas. That phase is complete and results are being tabulated. Phase Two involves opening up the survey through the City website for any resident to respond. That effort is underway now, and results should be available in late spring. The body will take these responses and begin formulation of a strategic plan to guide them through their four years in office.

Mr. Nicewarner stated the FY22 budget represents the hours of dedicated work done by each of the departments, with special notice to the Accounting/Finance group that produces the pages in the budget book.

City staff continued doing their jobs throughout the pandemic and most were on-site. This is a testament to their commitment to the citizens of Hagerstown. He thanked directors and staff for their dedication throughout the pandemic.

Michelle Hepburn, Chief Financial Officer, and Brooke Garver, Accounting and Budget Manager, presented the FY22 Proposed Budget to the Mayor and City Council. On Wednesday, March 31, 2021, copies of the proposed budget were distributed and an electronic version was made available on the City's website.

Some of the major highlights that are included in the FY22 proposed budget are below, separated by fund. In addition, the City Administrator's message portion of the budget was provided. It contains forty-eight pages of summary information by fund and city-wide for reference.

General Fund:

1. Balanced budget with a \$ 3K surplus
2. No change in real estate tax rates from FY21: \$1.002 per \$ 100 assessed value (excluding Apartments) and \$ 1.032 per \$ 100 assessed value for Apartments
3. No change in corporation personal property tax rates in FY20: \$ 2.505 per \$ 100 assessed value
4. Assessed value growth of 4.0%
5. HUR (Highway User Revenue) of \$ 100K included to cover portion of eligible annual debt service requirements and \$ 1.6M for capital projects
6. One-time transfer from Health Insurance Fund of \$ 542K due to FY20 surplus within Fund Balance, Retained Earnings policy guidelines
7. Utilization of GF Fund Balance Reserves of \$ 937K from previously approved budget for projects that were not yet completed and reallocation to a few new capital projects while maintaining Fund Balance, Retained Earnings policy guidelines
8. Utilization of existing and unrestricted CIP Fund Balance of \$105K for capital infrastructure and projects
9. Total transfers to Economic Redevelopment of \$ 1.03M for various incentives and costs which includes \$ 819K for Invest Hagerstown program incentives
10. Includes continued funding of \$ 405K for 911 Center
11. Changes in full-time staffing compared to FY21 levels: reduction of 8.0 vacant full-time positions in Police; unfund 1.0 vacant full-time position in Human Resources; reallocation of 6.5 full-time positions to other funds, primarily Stormwater Fund and Community Development Block Grant Fund
12. Salary and benefit costs total \$ 31.7M and comprise 65.2% of all General Fund expenditures

13. Estimated deficit in FY23 of \$ 2.7M to balance if no changes are made from FY22

Electric Fund:

1. Wholesale power contract is in place through May 31, 2022 with an extension after that time through May 31, 2024 which sets both the revenue and majority of all expenses (75.6%)
2. One full-time position was unfunded during FY21
3. Total capital projects included in the amount of \$ 1.3M
4. Includes \$ 12K surplus for FY22

Water Fund:

1. Cost rate model approved and effective FY20 through FY24 (3.0% annual increases)
2. No change in full-time staffing positions but reallocation of lab staffing with Wastewater Fund
3. Total capital projects included in the amount of \$ 2.8M
4. Includes \$ 124K surplus for FY22

Wastewater Fund:

1. Cost rate model approved and effective FY20 through FY24 (2.0% annual increases)
2. No change in full-time staffing positions but reallocation of lab staffing with Water Fund
3. Total capital projects included in the amount of \$ 2.6M
4. Includes \$ 1.6M surplus for FY22

Parking Fund:

1. Rates approved and effective through FY22 (\$ 2.00 annual increases)
2. No change in full-time staffing levels in FY22 but need to evaluate for future
3. Third Parking Deck construction beginning in FY25 with revenue and operating expenses included beginning in FY26
4. Total capital projects included in the amount of \$ 25K
5. Includes <\$ 224K> deficit for FY22

Stormwater Fund:

1. Cost rate model approved and billing to start effective March 2021 at annual \$ 43 per 1000 square feet of impervious surface and \$ 34.00 per 1000 square feet of impervious surface for calendar 2022
2. Full-time staffing positions are allocated at 5.36 and reflect no additional staffing for the City but a reallocation of staffing from the General Fund areas of Public Works and Engineering

3. Total capital projects included in the amount of \$ 1.0M
4. Includes \$ 764K surplus for FY22 as a result of donation of fixed assets from the General Fund primarily two street sweepers

Ms. Hepburn noted this budget is different than in prior years. Most notably, legislation was passed for stimulus funding after completion of the budget book. Beginning next week, each Work Session will include discussions about specific sections of the budget book. In order to complete approval of the budget by May 30, 2021, the required Public Hearing will be scheduled for May 11, 2021. Introduction of the Ordinance will be scheduled for the same day, with approval being scheduled for May 18, 2021.

Ms. Garver reported subsequent to the balancing and completion of the FY22 Proposed Budget, new federal legislation was approved that will provide funding of approximately \$ 20M to the City. The American Rescue Plan Act of 2021 (ARPA) was passed on March 10, 2021. As more details and specifics on utilization become available, City leadership and Mayor and City Council will identify a strategic plan on how and where to spend this funding. At this time, basic information available includes: 50% of funding will be received within 60 days of approval. The remaining 50% balance of funding will be received 12 months after the initial funds are received. The deadline to have all funds spent is December 31, 2024. Allowable uses of funds are: respond to or mitigate COVID health emergency or its negative economic impacts, including assistance to households, small businesses, nonprofits, and aid for tourism, travel and hospitality, to provide essential workers with premium pay, cover revenue losses incurred as result of COVID, and to make necessary investments in water, sewer, or broadband infrastructure.

Councilmember Aleshire recalled the first Constant Yield Tax Rate (CYTR) notice from the State Department of Assessments and Taxation (SDAT) did not include the correct apartment designation in calculating Hagerstown's CYTR. He asked if this had been corrected. Ms. Hepburn stated staff contacted SDAT and this has been corrected. The State has provided revised CYTR calculations to the City.

Mr. Nicewarner stated staff is waiting for an explanation of the possible apartment classification change.

Councilmember Aleshire asked why there was a surplus in the Health Insurance Fund for the most recent year. Ms. Hepburn stated projections for the Health Insurance Fund are based on third party agent analysis in order to maintain an adequate supply of Fund Balance Reserves for the fund. FY20 was an unusual year and costs across the industry were lower. Councilmember Aleshire asked if a part of this was utilized to cover COVID related medical expenses. Ms. Hepburn indicated it was not.

Councilmember Aleshire pointed out the proposed budget includes \$ 405,000 for the 911 Center. Ms. Hepburn stated she assumed there were no major changes with the funding as discussions are being requested.

Councilmember Aleshire stated he appreciated that staff did not include the recently announced CARES Act funding in the proposed budget. Regulations for the use of this unknown amount of funding have not been finalized. One of the most difficult things to do is to give away money and he believes this process will be challenging.

Ms. Hepburn stated staff may be requesting permission to open a separate bank fund for the anticipated federal funding. This will make it easier to track and log.

Mr. Nicewarner indicated a supplement will be added to the budget book when the Mayor and City Council develop a strategic plan. The current strategic plan is from the previous administration. Staff is also reviewing wage adjustments, not just stipends but work/wage amounts.

Mayor Keller stated the most important thing for citizens to hear is this budget does not include a tax rate increase.

### Transportation Priorities

Rodney Tissue, Director of Parks and Engineering, was present to review the City's Transportation Priorities. Each year, the Maryland Secretary of Transportation and Department of Transportation (MDOT) seeks to obtain priorities from the local jurisdictions to facilitate their preparation of the Consolidated Transportation Plan (CTP). The CTP will be presented by Secretary Greg Slater and State Highway officials in October.

Staff will send to MDOT the priorities from the City elected officials. Staff offers the following items as suggested priorities:

1. I-81 Widening – With the substantial completion of widening of the Potomac River bridge, continue to seek funds for widening from MD Route 63 north to the Pennsylvania line over the next ten years. Over 50 companies and organizations worked together to submit an Infrastructure For Rebuilding America (INFRA) grant on March 19, 2021 for the widening from Route 63 to Halfway Boulevard.
2. BPPA Study Implementation – In February of 2020, the local Metropolitan Planning Organization funded and completed a Bicycle and Pedestrian Priority Area (BPPA) study of the downtown and Bester Elementary walkshed to improve connectivity, increase safety and improve pedestrian and bicycle user comfort. The study included several recommendations for Route 40 including countdown pedestrian lights, improved crosswalk markings and speed management on Washington Street east of Cannon Avenue
3. Park Circle Railroad Crossing Upgrades – Working with the rail coordinators in the Office of Traffic and Safety, upgrade the three crossings (Virginia Avenue,

Walnut Street, and Summit Avenue) that are badly in need of repair, especially Walnut. The State has agreed to fund these improvements.

4. Eastern Boulevard Corridor Improvements – Staff support this Washington County led, multi-phase project that consists of a multi-modal transportation system connection US Route 40, Maryland Route 64, and Maryland Route 60. Future phases include construction of new streets to disperse traffic and reducing traffic volumes on State routes. One such route is the construction of Professional Court extended. Phase I is under construction and the County expects to bid the Phase II widening this summer.
5. Continue to fund Retrofit Sidewalk Installation, Bikeway Grants, Transportation Alternatives Program, and Safe Routes to School Program (for sidewalks and traffic signals) all of which the City has successfully used many times in the past.
6. Highway User Revenues – Continue funding at the levels the City received for FY20 (\$1,720,000) or higher.

Congressman Trone has requested a letter of support from the City of Hagerstown for the Professional Court Extension project. The consensus was to submit this letter.

Councilmember McIntire asked if more can be done for pedestrian safety on the Dual Highway. Mr. Tissue stated there were a number of fatal pedestrian accidents a few years ago. A professional study was completed at that time and a good plan for improvements was developed. The City made improvements to the Dual Highway within the City limits, such as installing sidewalks. The County has not installed sidewalks on other portions of the Dual Highway.

Councilmember Bruchey stated many pedestrians don't cross streets safely. Mr. Tissue suggested adding further education on pedestrian safety to the City's media platforms.

It was the general consensus to submit the priority list as presented.

### Music on the Square

Kitty Clark, Community Events Coordinator, was present to share information about Music on the Square, a series of events to enliven downtown and enhance people's dining experience.

Looking ahead to warmer weather and what is hoped to be the beginning of the end of the pandemic, staff have been discussing ways to encourage people to come downtown to support restaurants and other businesses. Staff recommend programming Friday night "Music on the Square" as an alternative to closing South Potomac Street for outdoor dining, as many of the restaurants on that block already have outdoor dining options on the sidewalk or in the rear patios.

Music on the Square would take place every Friday, 5:30 – 7:30 p.m., from the end of April through the end of the fiscal year, with the exception of the evenings of May 14, 2021 (BISFA Street festival), May 28, 2021 (Imagine Hagerstown Fourth Friday), and June 25, 2021 (Imagine Hagerstown Fourth Friday). The goal is to activate the downtown, make it vibrant, and encourage people to spend more time downtown than they otherwise might. An additional bonus is hiring local musicians who have been largely out of work over the last year.

When demand for outdoor dining increases, staff will reconsider the option of closing the street.

Staff seek approval to utilize remaining funds in the Department of Community and Economic Development's FY21 sponsorship accounts, originally budgeted at \$ 41,500. As discussed at the March 4, 2021 Work Session, there is \$ 31,500 remaining that will not be utilized by sponsored events this fiscal year. Staff request permission to use between \$ 5,000 and \$ 10,000 for this series which would cover artist fees, sound reinforcement, and promotion.

It was the general consensus to move forward with this program.

#### Demolition Lien on 341 North Jonathan Street

Scott Nicewarner, City Administrator, informed the Mayor and City Council a request had been received for waiver of the demolition lien on 341 North Jonathan Street. This lien is in the amount of \$ 11,333.00.

Last year, the City had been seeking compliance from the owner to either repair or demolish the deteriorating structure at 341 North Jonathan Street, but had been unable to seek a court order for the work to be done due to the pandemic's impact on court operations. The owner agreed to demolish the building but requested funding assistance from the City. On October 27, 2020, the Mayor and City Council approved use of the Department of Planning and Code Enforcement's (PCAD) abatement fund account to cover costs associated with demolition of 341 North Jonathan Street. This solution was viewed as beneficial in these times when court orders are not possible to back up the City's efforts to remove blight from the City's neighborhoods. Staff were directed to collect quotes from the property owner for demolition of the entire structure. The total value of the demolition was estimated at \$ 17,000 and the owner had already paid \$ 5,667 towards the costs. The Mayor and City Council agreed that the maximum the City would pay was \$ 11,333 contingent upon the contractor obtaining approval as a vendor with the City of Hagerstown.

PCAD secured quotes from the owner's contractor, the work was completed on December 8, 2020, the City paid \$ 11,333.00 towards the \$ 17,000.00 total bill, and the City costs were liened on the property tax bill.

Staff is seeking direction on whether to grant a waiver of the lien of the demolition costs, so the City expenditure becomes a grant. If not waived, it would come due with the tax bill or roll with the property if not paid. Should the waiver be granted, there remains on the tax bill the base taxes for 2019, 2020, and 2021 of \$ 1,731.45. This remains the responsibility of the parcel owner.

Councilmember Bruchey stated it is fortunate the Mayor and City Council are forward thinking enough to realize waiving some of the back fees may encourage people to fix up their properties. This owner did what was asked and he thinks a grant would be acceptable in this situation.

Councilmember Aleshire recalled staff provided a list of blighted properties about 7 or 8 years ago. This conversation is a prime example of endless conversations of what to do with properties like this. These properties exist in every neighborhood. He views this as assisting in removing a blighted property. He believes taxpayers would be willing to pay \$ 12 more annually on their taxes to fund a program to remove blight. A joint program had been discussed with the County Commissioners. He suggested the blighted properties be classified into three properties so the City is ready to utilize funding when it comes available. He thinks an aggressive program to remove blight that is funded by the City (through tax revenue) could be successful.

Mr. Nicewarner stated PCAD is fine tuning a program that will be presented to the Mayor and City Council next month. If eligible, this would be a good use for ARPA funding.

It was the general consensus to approve waiving the \$ 11,333.00 lien on the tax bill for 341 N. Jonathan Street.

#### Land Management Code Amendment- Front Yard Fence Requirements

Kathleen Maher, Director of Planning and Code Administration (PCAD), was present to provide an update on the Planning Commission's public review meeting on March 31, 2021 on proposed Front Yard Fence text amendments.

The proposed amendment was sparked by interest from new property owners in the recently constructed phases at Hager's Crossing to fence their side or rear yards that front on Hager's Crossing Drive. Due to current Land Management Code (LMC) standards for front yard fences (on sides of yards that front a street), those owners may only have a three-foot picket fence on the Hager's Crossing of their side or rear yard because it is a higher classification street than their primary front yard street. Hager's Crossing Drive is considered a minor collector street; however it mainly only serves the residents or school patrons in that neighborhood and not residents of other areas driving through to somewhere else. There are other minor collector streets in the City that similarly, are more local serving than regional servicing. This generated staff's review of the entire

front yard fence provisions in the LMC and discussion with the Planning Commission of the amendments under review.

In order to mitigate this issue for these property owners, staff proposes the following Land Management Code Text Amendments to: increase the maximum height of front yard fences from 3 feet to 4 feet; retain the front yard fence requirements for side and rear yards that front major collector or arterial roadways and remove them for side and rear yards that face minor collector roadways; and create spacing requirement for front yard fences of 1 inch wide or half the width of the picket, whichever is greater.

If timing works with Planning Commission completion of their review, staff would like to schedule the Mayor and City Council Public Hearing for April 27, 2021 to expedite the process and, if approved, allow fences to be installed with the new standards as soon as possible.

It was the general consensus to move forward with the proposed amendments. A Public Hearing will be scheduled for April 27, 2021.

Request to Purchase Competitive Negotiated Sale (CNS) Property: 36-40 North Potomac Street

Kaitlin Bell, Economic Development Specialist, was present to discuss a purchase offer of the City-owned property at 36-40 North Potomac Street. This property has been advertised for sale as part of the City's Competitive Negotiated Sale (CNS) program. Mr. Lloyd Thoburn of 339 Antietam, LLC, has submitted an application and purchase price which is summarized below:

Mr. Thoburn's purchase offer is as follows:

1. Purchase price for 36-40 N. Potomac Street - \$ 414,000
2. Cash offer
3. Mr. Thoburn has communicated that he would be willing to sign a no contingencies contract with a substantial non-refundable deposit of \$ 15,000.
4. The proposed use of the property would be to maintain active rentals, and to maintain ownership of the building long term.

The property is 7,850 square feet of mixed use property. It appraised in 2019 for \$ 460,000. 40 N. Potomac is currently occupied by Hana Thai Restaurant with a \$ 1,300/month lease terminating on July 31, 2021 with options for renewal. 38 N. Potomac has 4 modern studio apartments and 3 out of 4 are occupied and on a month to month lease basis. Rent varies from \$ 450 to \$ 500/month. 36 N. Potomac, once known as the Engine Room Art Space, is currently leased to The Yarn Shop with a \$ 1,200/month lease terminating on January 31, 2022. There is parking in the rear for all three properties.

Lloyd and Sheree Thoburn are the current owners of Hub City Vinyl and Coinopwarehouse. Their past renovation history includes 435 E. Franklin Street, 28 E. Baltimore Street, 727 N. Mulberry Street, 367 E. Franklin Street, 125 E. Baltimore Street, 338 W. Antietam Street, and 117 S. Locust Street.

It was the general consensus to move forward with the sale of this property to 339 Antietam, LLC.

Mr. Nicewarner wished Kaitlin Bell, Economic Development Specialist, well as she leaves City employment for a new position with a non-profit organization in Washington, D.C.

### Washington County Training Center Request

Steven Lohr, Fire Chief, and Adam Hopkins, Battalion Chief, were present to discuss training facilities for firefighters.

Chief Lohr reported Battalion Chief Mark Cleck has attended a monthly meeting of the Hagerstown First Hose Company and notified them land acquisition for the Hagerstown Fire Department operations will be on the Mayor and City Council agenda on April 13, 2021. Funkstown Volunteer Fire Company was also notified of the discussion.

Chief Lohr received notification that Washington County is moving forward with their burn building and training facility on Sharpsburg Pike. This is the opposite of what had been discussed for several years in regard to the City's burn site on Bowman Avenue. The Bowman Avenue site includes a single-story, Class A burn facility (with roof access), and two structurally protected burn rooms. Maintenance is performed by Hagerstown Fire Department staff. This facility has been utilized by the County for decades, free of charge. This is the only burn building and training center in Washington County. It was opened in 1955 and is utilized by all fire departments in the County and the Maryland Fire Academy.

On March 9, 2021, Chief Lohr received an email inviting the HFD to a place at the table to discuss items that should be included in the proposed burn building/tower project at the County Public Safety Training Center. This site backs up to a housing development and an elementary school.

Prior conversations for the last two years indicated a need to jointly budget \$ 500,000 for a shared structure at the City's Bowman Avenue facility. This funding was removed from the County budget last year due to COVID. HFD was told that it would not be supported due to unavailable funds.

The HFD supported the original plan for the Roxbury Road Training Facility, which was to be a joint fire and police training facility. The HFD's belief was that burn training

would continue at Bowman Avenue and classroom training would take place at Roxbury. This would have created a win/win situation. The original plan has changed. The City budgeted \$ 500,000 CIP project two years in a row, as did the County, in order to share the costs of a burn building and other props. It now appears the County intends to build a burn center like the City has and a five story tower.

Battalion Chief Hopkins stated HFD is looking to upgrade the training facility to a multi-story, high temp Class A burn facility. This modular construction facility would provide the ability to simulate fires on upper levels and the ability to utilize a standpipe system. Roof ventilation props would be included. Other desired props include a flashover simulator and a long hallway (that allows firefighters to train in smoke and heat to simulate attacking fires in larger buildings). This training is a vital component of fire behavior instruction. The HFD has submitted a Regional Grant Application.

Chief Lohr stated these props are eligible for assistance under the Firefighters Grant as they are not permanent structures. The multi-story building is considered a permanent structure and is not eligible for this grant. He thought by sharing the facility with the County it would create a good economy of scale. HFD will continue to apply for grant funds for the smaller props. There is nothing more important in fire service than recruitment, retention, and training.

Chief Lohr stated he wonders why an 11<sup>th</sup> hour announcement and request for participation on a multi-million dollar project was issued. He has other questions as well, such as - Why is spending \$ 1.5 million or more a better idea than spending \$ 500,000 on an already centrally located facility? How does the Department of Emergency Services go from a lack of available funding to having three times the available amount? If people are the priority and funds are available, why is this money not devoted to staffing? Attempts to discuss governance and fair funding have stalled many times. HFD will continue to apply for the Firefighters Grant. HFD has been diligent about updating and repairing the current training center.

Mayor Keller asked when the first joint meeting with the County Commissioners was held to discuss the tax differential and fire funding. Chief Lohr indicated it was in 2018.

Mayor Keller pointed out Councilmember Aleshire asked for answers from the Emergency Services Advisory Council (ESAC) in 2017. She asked in 2018 and 2019. No answers have been provided to the questions. Chief Lohr asked again in 2019 and 2020. The citizens are the ones who are suffering from this inequity. She doesn't understand how the County Commissioners can continue to ignore the City and the services provided. She reiterated that City taxpayers are also County taxpayers, who provide \$ 300,000 in funding toward emergency services. There needs to be a joint discussion about this.

Chief Lohr stated it is unfathomable that the City is ignored by the County. This is unacceptable. Not only are no answers provided, there is no response. He does not know how to get the Commissioners to discuss this with the City, particularly governance and

funding. He noted there were articles in the newspaper about all items discussed at a recent Work Session, except for the HFD's Strategic Plan. He shares the Mayor's and Councilmember Aleshire's frustration with the situation. HFD representatives stopped attending ESAC meetings a year ago because nothing has been accomplished. HFD has a strategic plan and will continue to do what is necessary to provide premier service to citizens. HFD and other companies provide assistance to each other, which is the way things should work. He noted there is an Automatic Aid Agreement, which should remain in place.

Mayor Keller pointed out City taxpayers are paying multiple times for fire service.

Councilmember Aleshire stated City taxpayers are County taxpayers. He does not anticipate any acknowledgement of this from the County. He was serving as a County Commissioner when the 911 Center and a tax differential (instead of a tax rebate) was discussed. He was the only Commissioner to suggest spreading the tax differential over two years in order to give municipalities time to adjust their tax rates. Other Commissioners did not agree. They also viewed the City's fire service as being above and beyond what is required and the costs should not be included in the differential calculations. He was volunteered to serve on the ESAC. At those meetings, he urged the group to stop fighting over the donations that are made to the different companies. After voicing his opinions at four meetings, members of the ESAC approached the County Attorney, who indicated ex-officio members could not speak during the meetings.

Councilmember Aleshire noted there are multiple things the County does for volunteer companies that are located outside the City limits. For example, the per capita cost for Clear Spring residents is \$ 4.50, while the per capita cost for Hagerstown residents is more than \$ 5.00. Volunteer companies are eligible for reimbursement of costs for fire apparatus, utilities, etc. if they are not within the City limits. In addition to the higher per capita cost, Hagerstown taxpayers provide additional funding for the 911 Center.

Councilmember Aleshire appreciates all the City Fire Department does. There are only four municipalities in Maryland with a paid fire service. Hagerstown is the only one that doesn't receive any set-off from their respective County for providing fire service.

Volunteer companies located within the City limits do not receive as much funding from the County either. Councilmember Aleshire pointed out the County identifies a donation for these companies and it is split between them. On the other hand, Boonsboro has two volunteer stations and they each receive the full donation. It is not split between them. This is unfair to the City residents, who are also County residents and taxpayers.

Councilmember Bruchey stated the key is to be fair and equitable to all County taxpayers, including those that are City taxpayers. City taxpayers provide funding for the 911 Center in the amount of \$ 1.2 million. The County provides \$ 4.2 million in funding. Therefore, the City taxpayers pay approximately 26% of the cost to operate the 911 Center. Additionally, the City provides another \$ 400,000 of City taxpayer money for

specific operations. He pointed out there is also a 911 fee on all telephone bills. Maryland law says the County will have a 911 system in operation and it shall include fire, police, and emergency services. This is the responsibility of the County, for all County citizens. He supports his tax dollars being used to fund the 911 Center. He is not in favor of the City providing an additional \$ 400,000 for 911 Center operations. If the County decides on May 1, 2021 to stop dispatching 911 calls in the City of Hagerstown and transfer the responsibility to the City, the City's citizens will be the ones who will suffer.

Chief Lohr stated the number one recommendation from the ESAC after the 9/11 tragedy was that radio systems of all emergency providers (fire, police, EMS) be compatible allowing each group to communicate with each other. In many places, police and fire departments were not able to talk to each other on the radio. Federal funding was provided to correct this problem. He doesn't understand why any political group would try to undo this important benefit, which is what would happen if the County discontinues dispatching City calls.

Councilmember Bruchey recalled being at the 911 Center when former Senator Barbara Mikulski toured the facility and praised the ability Washington County would now have to dispatch all calls. The City of Hagerstown does not receive any tax set off for fire service and City citizens deserve to be treated equitably, as they are part of Washington County. It seems people don't understand that Hagerstown is part of Washington County and Hagerstown taxpayers are indeed County taxpayers.

Councilmember McIntire stated this issue was being discussed when she was appointed as Councilmember in 2017. The City has reached out to the County several times requesting a meeting to talk about this. There is no reason to not meet and sit down and discuss the concerns reasonably. There is no excuse for not meeting together.

Mr. Nicewarner pointed out the last joint meeting with the County Commissioners was in February, 2020. Commissioner President Jeff Cline provided direction to staff to meet and work out these things. Staff meetings were delayed due to the COVID-19 pandemic but they were able to finally meet in July, 2020. Kirk Downey, Interim County Administrator, Police Chief Kifer, Sheriff Mullendore, Fire Chief Lohr, Emergency Services Chief Hays and Mr. Nicewarner discussed the shared costs of service and each one was to determine specific costs of service and meet again to review the results. It was determined during the review of the several different shared operations that the City of Hagerstown would actually have been owed \$ 403,000.00 for shared services. Mr. Nicewarner pointed out this was not an audited figure. County representatives indicated the information would have to be audited by the County Finance Department. Before an audit was completed, a new County Administrator had been hired. Mr. Nicewarner reached out to John Matriano, County Administrator, in January requesting a meeting to review the information gathered by the original staff group. He was basically told the City has to pay the \$ 405,000 for the 911 Center charges before the County will meet with the City. This same message was provided to Mayor Keller. If the County insists

that City citizens don't deserve a different tax differential from other municipal citizens and should still pay \$ 405,000 for the 911 Center, then there should be a joint meeting to discuss this. He stated City residents need to know what is being discussed. If a joint discussion results in City taxpayers still receiving the same differential, then so be it but it needs to be discussed.

Councilmember Martinez asked what a strong political intervention would look like. She stated she feels the City is being bullied.

Chief Lohr stated if there was a similar internal problem at HFD, he would seek professional mediation. It is obvious the parties are polarized at this point. During the last six years, he has seen strong evidence that City topics don't receive the same media coverage on these issues as the County does. This will be even more evident if the City issues a press release about the differential and fair funding concerns that are ignored.

Mayor Keller stated she is willing to issue a press release and the Mayor and City Council can discuss the issue during a work session with financial details and spreadsheets.

Mr. Nicewarner noted other Maryland counties hold annual meetings with each individual municipality to review the tax differential. He does not know when this type of meeting was held with the City.

Councilmember Bruchey recalled the last differential meeting was in 2010. During that meeting the County announced the differential would be the same 12.5 cents for every municipality.

It was the general consensus to issue a press release informing the public of the tax differential issue and requests for meetings with the County Commissioners.

Chief Lohr stated he thinks it is wise to make a final attempt for a public meeting. He pointed out the County Emergency Services Division relies on the 16 on-duty people and 6 volunteer stations the City has on duty to assist in covering calls.

#### EXECUTIVE SESSION – April 6, 2021

On a motion duly made by Councilmember R. E. Bruchey, II and seconded by Councilmember T. Martinez, the Mayor and City Council unanimously agreed by voice vote 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)), on Tuesday, April 6, 2021 at 6:31 p.m. in the Council Chamber, 2<sup>nd</sup> floor, City Hall, Hagerstown, Maryland.

The following people were in attendance: Mayor E. Keller, Councilmember K. B. Aleshire, Councilmember R. E. Bruchey, II, Councilmember T. Burnett, Councilmember T. Martinez, Councilmember S. McIntire, City Administrator Scott Nicewarner, Michelle

SPECIAL SESSION (8<sup>TH</sup> VOTING SESSION)  
EXECUTIVE SESSION AND WORK SESSION  
2021

APRIL 6,

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Hepburn, Chief Financial Officer, Kathleen Maher, Director of Planning and Code Administration, Nancy Hausrath, Director of Utilities, Rodney Tissue, Director of Parks and Engineering, Eric Deike, Director of Public Works, Police Chief Paul Kifer, Doug Reaser, Business Development Specialist, Kaitlin Bell, Economic Development Specialist, Steven Bockmiller, Zoning Administrator and Planner, Jonathan Kerns, Community Development Manager, and Donna K. Spickler, City Clerk.

The meeting was held to discuss three separate business proposals. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the meeting was adjourned at 7:11 p.m.

SPECIAL SESSION (8<sup>TH</sup> VOTING SESSION) – April 6, 2021

Mayor E. Keller called this Special Session (8<sup>th</sup> Voting Session) of the Mayor and City Council to order at 7:13 p.m., Tuesday, April 6, 2021 in the Council Chamber at City Hall. Participating with the Mayor were Councilmembers K. B. Aleshire, R. E. Bruchey, II, T. Burnett, T. Martinez, and S. McIntire, City Administrator Scott A. Nicewarner, and City Clerk D. K. Spickler.

On a motion duly made by Councilmember R. E. Bruchey, II and seconded by Councilmember S. McIntire, the Mayor and City Council unanimously agreed to meet in Special Session at 7:13 p.m.

**Approval of an Amendment to a Resolution: Parking Lease for University District Parking Deck with Maryland State Department of Education, Division of Rehabilitation Services (DORS)**

**Action:** Resolution R-21-07 was passed to approve a parking lease agreement between the City of Hagerstown and the State of Maryland for the rental of seven parking spaces in the University District Parking Deck for use by the Maryland State Department of Education, Division of Rehabilitation Services (DORS) on March 23, 2021 with a start date of April 1, 2021. The State of Maryland has informed the City that the State's Board of Public Works cannot convene to approve the agreement by April 1, 2021. Therefore, the State has requested a new start date for this lease of June 1, 2021.

On a motion duly made by Councilmember R. E. Bruchey, II and seconded by Councilmember T. Burnett, the Mayor and City Council unanimously agreed by voice vote to approve a change to the start date of said lease from April 1, 2021 to June 1, 2021. All other terms and conditions of said lease will remain as previously approved.

Public Hearing - Expansion of Enterprise Zone

The Mayor and City Council held a Public Hearing relating to the joint application of the Mayor and Council of the City of Hagerstown and the Board of County Commissioners of Washington County, Maryland, for the requested expansion of an Enterprise Zone located within the corporate boundaries of the City of Hagerstown and the boundaries of Washington County, Maryland, at 7:00 p.m. to receive testimony regarding the requested expansion.

Doug Reaser, Business Development Specialist, was present to review the joint applications. Washington County and the City of Hagerstown are working to jointly submit an application by April 15, 2021 to Maryland Commerce for the expansion of the Enterprise Zone. The Enterprise Zone provides property tax credits for construction or rehabilitation investments and provides income tax credits for job creation.

The Board of County Commissioners of Washington County (County) held a Public Hearing on March 30, 2021.

Eligible areas for expansion of the enterprise zone must meet one of the following:

1. Average rate of unemployment that is at least 150% of the greater of the average rate of unemployment in either the State or the United States during the most recent 18-month period
2. The population in the area qualifies as a low-income poverty area
3. 70% of families in the area have incomes that are less than 80% of the median family income in the political subdivision
4. The population in the area has decreased by 10% between the most two recent censuses with either significant abandonment/demolition of property or significant property tax arrearages.

At this time, the City and County propose to expand the Enterprise Zone only in the 10.01 Census Tract which is an eligible and qualified area. This includes industrial properties along Maryland Avenue, Sweeney Drive, Sherman Avenue, and Oak Ridge Avenue.

The following Exhibits were entered into the record:

1. Exhibit 1 – Certificate of Advertisement on March 23, 2021 and March 30, 2021
2. Record for file

Councilmember Aleshire had previously expressed his concern that a small section of residential property to the rear of Marion Street was included in the expansion request. Kathleen Maher, Director of Planning and Code Administration, reported that section has been removed from the request.

There was no testimony presented, either in favor of or opposed to the requested expansion.

The record will remain open for 10 days for additional comments.

The Special Session and Public Hearing was closed at 7:20 p.m.

### **CITY ADMINISTRATOR'S COMMENTS**

*Scott A. Nicewarner, City Administrator*, thanked Customer Service and Utility employees who have been working with utility customers as termination of service for unpaid bills started this week. Staff has been very busy the last two days. Terminations will continue until November. Mr. Nicewarner urged anyone having trouble keeping up with their bills and rent to contact a social service agency because there is a large amount of assistance available.

### **MAYOR AND COUNCIL COMMENTS**

*Councilmember K. B. Aleshire* addressed a Facebook post that occurred during the past week. He stated one of the best things he did personally was to leave the position of partisan representation. He was registered as Democrat and is now registered as Independent. He appreciates being able to govern at this local level with simple fairness applied to the issues and the people the Mayor and Council represent. He hesitates to make comments on social media arguments, especially with comments associated with the very sensitive issue of race. A former Mayor and City Council made the conscientious choice to remove partisanship from the municipal race. Partisanship has no place at the local level. He has watched the exercise of musical chairs of delegate and senatorial seats that represent the City be maneuvered by Central Committee parties. There is now a Delegate who has not reached out to hear what the Mayor and City Council's perspective is on issues to be delivered to the State legislation. It appears there is now a Senator whose primary goal is to put in requests for things the City didn't request. He finds it interesting that the Central Committee chooses to inject their opinions into matters of another party. The individuals in this room are some of the most inclusive people he knows. He likes and represents all citizens of Hagerstown. He does not think it is a fair approach for people who duly ran and were elected to service this City be subjected to questions about comments made by other people about other elected or appointed officials.

*Councilmember R. E. Bruchey, II* had no additional comments.

*Councilmember T. Burnett* stated this is the last time she will be speaking about this matter. As Councilmember Aleshire alluded to, a situation happened early last week. She made an official statement on her Councilmember Facebook page. A former campaign manager made derogatory comments about Delegate Thiam on social media. Councilmember Burnett did not see it and was not aware of it at the time. It is not fair to target her in this situation because she had no involvement. Her former campaign manager questioned why Delegate Thiam has voted as she has. It should be made clear it

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is ok to challenge your elected officials and reach out to them. But, the communication must be done professionally. The Mayor and City Council were elected to represent the City of Hagerstown and are ok with answering questions. She stated she also feels as though she was targeted in response to what someone else said. She thought it was clear in her statement on Friday, but the comments kept coming. Senator Corderman even reposted the post. Anyone could have contacted her to discuss this. She tells her friends and family to not post crazy things because it will always be visible. It is not ok when people continue to post and repost. She finds it interesting Senator Corderman can contact her about the stadium project but not about this. She won't be a part of political games. She was distracted from her job with all of this and feels that she was attacked.

*Councilmember T. Martinez* stated it is important to stay focused on the topic and what happened. Accountability is absolutely necessary - but to the particular person and not an attack on the entire body.

*Councilmember S. McIntire* is sorry Councilmember Burnett had to experience this. It was not fair or right. She congratulated the Skate Park Task Force for being awarded a grant from the Tony Hawk Foundation. She is extremely impressed with the outpouring of community support for the skate park. Spohn Ranch will be available for information at a community meeting at Fairgrounds Park on May 5, 2021 from 5:30 p.m. to 7:00 p.m. This project is moving quickly.

*Mayor E. Keller* was going to speak on Councilmember Burnett's situation but she could not have made a better statement than Councilmember Burnett. The post was uncalled for. It was also uncalled for calling the Mayor and City Council out with it. The situation is unfortunate. She admires the way Councilmember Burnett handled the situation. The online community survey closed yesterday. The results will be available within the next few weeks. She wants to schedule a Strategic Planning Session as soon as possible.

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 7:40 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk

Approved: May 25, 2021