

WORK SESSION – July 11, 2023

Mayor T. Martinez called this Work Session of the Mayor and City Council to order at 4:00 p.m., on Tuesday, July 11, 2023 in the Council Chamber at City Hall. Participating with the Mayor were Councilmembers K. B. Aleshire, R. E. Bruchey, II, T. Burnett, S. McIntire, and M. J. Schindler, City Administrator Scott A. Nicewarner, Ann Rotz, City Attorney, and City Clerk D. K. Spickler.

2023 Maryland Legislative Session Wrap-Up and Engagement Agreement

Rob Garagiola, President of Compass Advocacy and the City’s legislative lobbyist for the past two years, was present to provide a wrap-up of the 2023 Maryland Legislative Session as well as to discuss the relationship with the City moving into the 2024 session.

Compass is looking to enter into an 11-month agreement (to stay with FY24 budget) allowing for out of session work with legislative officials and the Governor’s Office on issues directly related to the City of Hagerstown in anticipation of the 2024 Legislative Session. The contract cost is \$ 48,000.00.

Compass managed to secure the first \$ 1 million and pre-authorization for the next \$ 2 million for the Field House. Mayor Martinez visited Annapolis to maintain the \$ 2 million and to secure additional money. Everyone was optimistic this funding would remain in place but mid-session, there was a budget write-down which threatened the funding. One of the biggest champions of the field house is Delegate Ben Barnes, who had been chair of the Capital Budget Committee. He was a big champion of Hagerstown and was instrumental in maintaining the \$ 2 million that was requested and in securing the additional \$ 1 million. This is an expensive project with an anticipated ribbon cutting next fall. FY25 will be the focus of the next general session and now is a good time to be thinking about what funding request the City wishes to make.

Mr. Garagiola thinks a total ask of \$ 4 million is fitting. Now that the Moore Administration is getting settled in, he thinks it is a good time to sit with the budget secretary and the budget management folks and update them on the project and its progress to see if additional funding can be included in the Governor’s Budget from the outset. The Field House has been Compass’ top priority and what they have been focusing on for Hagerstown.

Councilmember Aleshire asked if there is any insight into what impact the tax on recreational use cannabis may have on the State budget.

Mr. Garagiola stated revenue could be in the \$ 180 million to \$ 200 million range once the programs are fully functioning. Many of the medical facilities have switched to retail operations. There will be more capacity in Maryland with dispensary and growth facility permits. It may take a year or more to reach the estimated numbers he mentioned.

Mr. Garagiola stated he thinks the budget write-down was in anticipation of the possibility of a recession. That does not seem as imminent now. The increase in funding for education has been happening for 25 years. There are still projects that need to have a funding source. The State leaders are anticipating a greater need for funding from a spending perspective.

Councilmember Aleshire stated in his opinion, the revenue from cannabis sales is being underestimated. There will be revenue from retail sales and savings in funding for incarceration of individuals. Under normal circumstances, he would agree that a recession is not as imminent now, if the interest rates were at an escalated level and goods were readily available. Goods still are not available so businesses are buying and selling as they can. Consumers are still buying.

Mr. Garagiola stated the pandemic created a supply lag. The question is where does the economy level out. The Governor and budget team are putting caution in place. The situation may be completely different in 6 months.

Councilmember Aleshire stated the stadium, the field house, and the library are all good things that have been supported during recent sessions. However, there are two bills that did not make it through the committees and those are the ones that will help the City address vacant and blighted properties. Both these pieces of legislation are needed to allow the City to get these properties out of the tax sale/vacant building process and get them back to people with investment potential. Some things that are happening are great but not as great as they can be if there are houses around them that are in derelict conditions.

Mr. Nicewarner noted there was some confusion about whether or not people would be put out of their owner-occupied homes. City staff will work with the budget analyst and legislative assistants on wording to make it clear this is not what is intended.

Mr. Garagiola is hopeful the legislation will be passed this year because legislators will have completed one session and are more aware of the process.

It was the general consensus to include approval of an 11 month engagement agreement with Compass GR Partners on the July 25, 2023 Regular Session agenda. The fees will \$ 48,000.00.

Reese Development – Water and Wastewater Service

Nancy Hausrath, Director of Utilities, and Ann Rotz, City Attorney, were present to provide additional information for the request for water and wastewater service for the Reese Development. This information was requested by the Mayor and City Council during the Work Session discussion on June 13, 2023.

Ms. Hausrath stated the reason Funkstown wants both the water and wastewater service for this development is because they will not be receiving property tax from it.

Funkstown officials stated in a meeting yesterday they would and could provide both water and wastewater service.

The following information was requested:

1. Has the environmental engineering firm for Funkstown confirmed that Funkstown can treat an additional 120 EDUs (24,000 GPD) at their wastewater treatment plant?

Mayor Crampton conveyed Funkstown did receive a report from ARRO Consulting confirming Funkstown would be able to serve Phase 1 of the Reese Farm for water and wastewater. Mayor Crampton indicated that if the City did move forward, the developer would be required to install the 12-inch water main and loop into Funkstown. Mayor Crampton did not indicate if Funkstown would provide wastewater service only.

2. Is a private pump station required to transfer wastewater flow from the Reese Farm should Funkstown accept the wastewater flow from Parcel 1 (120 EDUs)?

Per Dave Trostle in an email dated June 14, 2023, "The private pump station shown on the concept plan was required during preliminary design when sewer for this development was being serviced by the City of Hagerstown via the new pump station. A portion of the Townhouse units would have flowed to the private pump station, then discharged into a gravity MH at the intersection near unit T-73. That gravity line would have continued to flow towards Hebb Road and the new pump station. In the current scenario, where the sewer for the townhouse units will be provided by Funkstown, this private pump station shouldn't be required. The townhouse area naturally drains to the SW of the site, in the direction of the sewer for Gaver Meadows, while the Multi-family units naturally drain to the NW of the site, towards Hebb Road and the new City pump station.

With that said, primarily based on the 2D layouts and some rough sewer grade calculations, he believes 90% of the townhouse units can be serviced by gravity sewer from Funkstown without the lines across Beaver Creek Road being too deep (8' – 12'). The remaining lots (10%) would be on private grinder pumps, maintained by Funkstown. Site design and grading is required to refine these numbers. Please note, the Town is acceptable to this approach because this saturation currently exists within the Gaver Meadows Development were 14% of the lots are on grinders."

3. What is the water and wastewater benefit fee differential for the development if they utilize water and/or wastewater service from Funkstown versus the City?

Ms. Hausrath stated the differential would be \$ 2,039 for water and \$ 248 for Wastewater. Rates would be inside City rates and outside Funkstown rates.

Ms. Hausrath provided drawings from the developer of the concept for the development. The lines cannot be installed as drawn because they can't be connected. An interconnect is needed to equalize pressure between the systems and meter the usage. Ms. Hausrath anticipates installing master meters for Phase 1 and Phase 2 of the construction. Phase 2 would receive service at a new entry point.

Councilmember Bruchey clarified there would be different meters for the separate phases. Ms. Hausrath stated that is correct and a sub-meter would be installed for customers that aren't part of the development.

Councilmember Aleshire asked where the entry point for the water is from the East. Ms. Hausrath stated it would be from the Dual Highway across Emmert Road. Councilmember Aleshire asked how this would create the loop that was previously discussed. Ms. Hausrath stated it does not create a loop for the City of Hagerstown.

Ms. Rotz pointed out this schematic was provided by the developer so it will be different with the final details. She asked if City staff has concerns about Phase 2 with a master meter regarding fire protection. Ms. Hausrath stated there are no concerns as long as the water volume is maintained, and the meter size coordinates with the volume.

Councilmember Bruchey asked how the loop will be created. Ms. Hausrath stated it would be difficult as drawn. City staff would have to go back to the developer and indicate the City wants a loop on Hebb Road.

Ms. Rotz asked if the City can get the loop it wants if the City is not providing service to Phase 1. Ms. Hausrath stated that is possible.

Councilmember Aleshire asked if the fire flow indications are as it applies to the engineering application for the size of the line. Saying there is adequate fire flow because of a 12" line is quite different than saying the 12" line has adequate PSI. Ms. Hausrath stated the hydraulic model looks at the static and residual pressure in different areas. She stated the biggest difference in Scenario 2 is the limitations by the capacity of the meter.

If it is determined that Funkstown will only provide wastewater service to Parcel 1 of the Reese Farm Development, the City will assist Funkstown with billing and collections as is done with wastewater service in the Joint Service Area. The City has set precedence on allowing wastewater customers to be served by neighboring jurisdictions (Washington County).

In doing this, the City is either the billing authority or provides water usage data to the jurisdiction. If the City is the billing authority, the City is also the agency making collection efforts for delinquent accounts. Funkstown would be responsible for billing and collection of new service fees. In this scenario, the wastewater collection system would be dedicated to Funkstown. The City would not receive benefit fee revenue for Parcel 1 should Funkstown be the wastewater provider.

With regard to water service being provided by Funkstown, it was agreed that the City would consult with their engineering firm (Hazen and Sawyer) to evaluate Fire Flow within the Reese Farm subdivision with the understanding (to the extent possible), the Utilities Department tries to ensure a NFPA Class A Rating when water distribution upgrades and/or water main extensions are constructed. NFPA Class A Rating provides 1,000 to 1,499 gpm at 20 psi fire flow.

Ms. Hausrath provided a Fire Flow table with the meeting material that shows the Water Service Base Scenario utilizing a 12-inch water main provides the best fire protection for the Reese Farm subdivision. Staff recommends requiring a 12-inch water main from Dual Highway. If Scenario 2 was considered, a 12-inch water main with a 10-inch meter would be required.

Should the City and Funkstown agree that water service will be provided by Funkstown for Parcel 1 of this development through a master meter, the Funkstown Water Service Agreement must be amended to allow for a fourth point of entry to Funkstown and to develop a water rate for the Reese Farm subdivision only. Funkstown would be responsible for collecting the Town's connection fee of \$ 6,000 (FY23 rate). Funkstown would purchase allocation from the City at the City's inside rate of \$ 2,816 per EDU (FY23 rate). Allocation sold to Funkstown at the inside rate would be for 120 EDUs on Parcel 1 for the Reese Farm development. It is anticipated the City will receive \$ 337,920 in water benefit fee revenue from Funkstown. It is anticipated Funkstown would receive \$ 382,080 in new water service fees from the developer.

Staff recommends approval for wastewater service to be provided by Funkstown which will require the development and approval of an agreement (ordinance) by both jurisdictions. Should the Mayor and Council have a desire to approve Funkstown providing water service for 120 EDUs for Parcel 1 through a 4th point of entry for Funkstown (12" water main and a 10" meter would be required), substantial amendments to the Wholesale Water Service Agreement is required.

Councilmember Bruchey stated allowing Funkstown to provide the services will allow the development to move forward, the City tax base will increase, and the City saves wastewater and water allocation. For him, it is a win/win situation. Ms. Hausrath pointed out the City would still sell the water to Funkstown so allocations would not be significantly affected.

Ms. Rotz asked if the time factor to provide the service is different depending on who provides the utilities. Ms. Hausrath stated the City would have to pass an ordinance which requires a minimum of three months. Other items to work through are the wholesale agreement, benefit fees, usage fees, maximum use for phase 1 for water, incorporate 2018 ordinance allowing a third point of entry to Funkstown, code language to allow those city residents to come back into the City system if necessary, and that the easement includes the City of Hagerstown the sewer side for Phase 2. The City would need to ensure the service can be provided at the time it is needed. An easement would be required for the sewer lines for Phase 2. Flow data will be needed from Funkstown.

Councilmember Bruchey asked if the Mayor and City Council could agree to allow this to happen and then the project can move forward while the approval is moving through the process. Ms. Rotz stated that is possible, but the developer takes a risk if there is a challenge or issue with the agreements. Councilmember Bruchey pointed out any developer takes risks. Ms. Hausrath stated the biggest hurdle for the developer is the sewer component. If Funkstown is agreeable to the wholesale agreement being revised and sewer agreement to both components moving forward independent of each other. It is likely more feasible to complete the sewer component within the three month timeframe.

Councilmember Bruchey asked if this is similar to agreements with wholesale customers. Ms. Hausrath stated there are agreements with three municipalities and some trailer parks. The City has never negotiated a water agreement with one entity who is then going to sell it back to the City's customers. The parcel is inside the city limits. The City would be the first responder in both areas. All hydrants beyond the master meter would be private hydrants. She stated there would be adequate flow at the meter but it would have to be determined if there was adequate flow at the hydrants.

Councilmember Aleshire stated this is a bad long-term deal for the City if there is no interconnection with the City's mains to the undeveloped parcels because a loop would not be created.

Councilmember Bruchey stated Ms. Hausrath indicated earlier a loop could be created. Ms. Hausrath stated the developer's concept does not include a loop, but the City can require a loop. Councilmember Aleshire stated the notion of the delivery capability looks great on paper, but staff are finding out on multiple occasions that what is actually in the field is not necessarily what is on the concept plan.

Ms. Rotz asked Ms. Hausrath what staff recommendations in the original discussion remain in place after additional discussions with Funkstown representatives.

Ms. Hausrath stated staff's recommendation is the same as it was on June 13, 2023. If the Mayor and City Council wish to allow Funkstown to have the water service, it can be done. A substantial amount of work is needed to make this happen.

Councilmember Schindler asked if staff's recommendation changed from just providing City water to Funkstown and allowing Funkstown to provide wastewater only. Providing the wastewater is the least complicated of the request. Councilmember Bruchey stated Funkstown is not willing to provide just wastewater. Ms. Hausrath stated Mayor Crampton indicated they wanted the water as well because they would not be receiving tax revenue from these properties.

Councilmember Bruchey is in favor of allowing the services to be provided by Funkstown because this development will be a benefit for the City as it will start other things. If the City does not agree to allow Funkstown to have both water and wastewater service, they won't agree to take either. They have to be able to cover their costs and

some kind of benefit fee will cover the costs. They won't take just the wastewater until the pump station is done, which will likely be at the end of 2024.

Councilmember Schindler stated the City needs a definitive answer on whether Funkstown will take just the wastewater service. Mr. Nicewarner stated they met last night and said No, they will not.

Ms. Hausrath stated a motion can be drafted to approve Pump Station 9 if the Council wants to include a formal vote on the July, 2023 Regular Session meeting agenda.

Mr. Nicewarner confirmed that Councilmember Aleshire has expressed his requirement that the system be looped. Councilmember Aleshire stated he is not alone in that requirement.

Councilmember Bruchey asked Mayor Martinez if Mr. Trostle can be invited to the table to provide additional information.

Dave Trostle, Frederick, Seibert and Associates, stated the developer presented a plan to the Planning Commission for an all-townhouse project. They have to go back to the Planning Commission because the plan has changed to include condos. This will take at least 3 months. In the meantime, they can start the engineering of the entire development. They are close to completing the site plan process. The developer is willing to take the risk as mentioned earlier.

Ms. Rotz stated the option on the table at this time is for the wastewater service for Phase 1 of the project. Funkstown has the capacity to serve it as does the City. The City would need an interim pump station to provide the service.

Mr. Trostle stated it would be a significant expense for the development to construct a private, temporary pump station and a force main. Ms. Rotz stated she does not think the Mayor and City Council have the cost information.

Councilmember Aleshire stated the best scenario would be Pump Station 33 being completed. Mr. Trostle stated that was the original expectation. Councilmember Aleshire noted there are only 18 months left until December, 2024 and the station isn't moving forward. Councilmember Aleshire asked Mr. Trostle when construction is expected to be completed. Mr. Trostle stated it will be at least a year. Councilmember Aleshire stated it seems odd that they would be grading the development while the City is constructing the pump station. Mr. Trostle stated they were told last year it would be completed by the end of 2023. There is no guarantee that the pump station construction will not be delayed further. With service from Funkstown, there is a guarantee the services will be available.

Councilmember Bruchey stated the deadline to expend the ARPA funds is by December, 2024. He asked what happens if the funds are not used. Michelle Hepburn, Chief Financial Officer, stated the funds would have to be returned.

Ms. Hausrath stated utilities staff will be working with Finance to get the bid on the street soon.

Mr. Trostle stated they cannot submit their reviewed plan until they have a confirmed answer about the water/wastewater service. They have been asking for confirmation since November, 2022. The water loop was originally proposed across from Hebb Road. It was then stated that this piece would never be connected so they moved away from that possibility. The developer has no problem with coming across Hebb Road and the development in providing a stub and that loop.

Councilmember Bruchey recommended the City work toward completing the agreements and getting the process started.

Councilmember Aleshire stated he thinks everyone is over-complicating the process. Three months ago, the City's priorities were different.

Councilmember McIntire noted Councilmember Aleshire is concerned about the loop. Councilmember Aleshire stated he is but last month the City expressed a priority for the pump station. This development is only on paper and not in final form.

Mr. Trostle stated the project will be done in phases and Phase 1 will go quicker than the others. The current hold-up is not knowing which entity is providing service.

Councilmember Aleshire and Councilmember Schindler support the City providing both water and wastewater service.

Councilmember Bruchey and Councilmember McIntire support allowing Funkstown to provide the service.

Councilmember Aleshire does not agree with sending customers to Funkstown to help with their budget. The City has an obligation to build the pump station. He feels the City has moved passed the hurdle of getting the agreement signed. The developer will be constructing the development at the same time the City is constructing the pump station. The Mayor and City Council has given directions to staff that it has to be completed by December, 2024.

Mr. Trostle pointed out again the property will not be developed all at once. Six months before the pump station is ready, they might be ready to start the first few houses.

Ms. Hausrath stated she continues to be conservative. There is no way she can comfortably support accelerating the timeline.

Councilmember Bruchey and Councilmember McIntire both pointed out the City will be gaining tax base and getting a loop on the system.

Councilmember Aleshire stated it is no better monetarily for the City to not have the service in the long term.

Mr. Nicewarner clarified the consensus is that it is a done deal if Funkstown says they want both the water and wastewater service and won't provide either if they can't have it.

Councilmember Aleshire, Councilmember Burnett, and Councilmember Schindler support Funkstown providing sewer for Phase 1 and Hagerstown providing water for both Phase 1 and Phase 2.

Councilmember Bruchey and Councilmember McIntire support Funkstown providing both services.

Ms. Hausrath will reach out to Funkstown to discuss the wastewater service.

Ms. Rotz left the meeting.

American Rescue Plan Act (ARPA) Quarterly Update

Michelle Hepburn, Chief Financial Officer, was present to provide the quarterly American Rescue Plan Act (ARPA) update and to review a proposal to create a nonprofit incentive program utilizing ARPA funds.

ARPA funding provided to the City totals \$ 20.4 million. The City has spent \$ 6.2 million or approximately 30.4% of that total funding as of June 30, 2023. The totals below do not include amounts that are obligated and encumbered on open purchase orders:

FY21	\$ 2.15 million
FY22	\$ 2.11 million
FY23	\$ 1.94 million (through June 30)

As a reminder, the IRS defined seven different eligible categories in which this funding can be spent. Each category has specifications on eligibility criteria. The seven categories include the following: Public Health, Negative Economic Impact, Negative Economic Impact: Public Sector, Premium Pay, Infrastructure, Revenue Replacement, and Administrative.

The following is the current allocation and strategy of how the City plans to spend the \$ 20.4 million:

1. Public Health	12%
2. Negative Economic Impacts	8%
3. Negative Economic Impact: Public Sector	8%
4. Premium Pay	11%
5. Infrastructure	30%
6. Revenue Replacement	30%
7. Administrative	1%

Some of the projects allocated and started are as follows:

1. 32 N. Potomac Purchase and Renovation
2. Support Local Artists and Bands
3. City-Wide Restaurant Ready Grant Program
4. Office 365 Implementation
5. City Hall Elevator
6. Pump Station #13 – this project is unlikely to be completed. Ms. Hepburn would like the ability to move this funding to the Pump Station #33 project and for some I/I (Inflow and Infiltration) work.
7. Stormwater project at the Field House
8. Fire Ladder Truck
9. Gas Generator
10. Body worn cameras – purchased in annual increments
11. Trash totes – the new contract will be discussed in the next few weeks.
Councilmember Aleshire asked if the planned tote expenditure will be met. Ms. Hepburn indicated it will be.
12. Professional Court will be completed this year
13. Blight Eradication

There is \$ 2.7 million allocated under the Behavioral and Mental Health and Youth Violence Prevention categories. There is also \$ 425,000 in the Negative Economic Impact and \$ 25,000 for Brothers United Who Dare to Care. Ms. Hepburn recommends deleting these allocations and putting it all to assistance for non-profits.

Brothers United Who Dare to Care, Brooke's House, Beacon House and others who have requested ARPA funding will be invited to apply through the nonprofit grant program. Any recipient must have a sam.gov number from the Federal government.

Mayor Martinez thought the funding request from Brother Andy Smith for Brothers United Who Dare to Care was approved. Ms. Hepburn stated the Council did approve the request, but they do not have the sam.gov id and the City cannot provide funding to any organization that does not have this number.

Councilmember McIntire stated the Council already approved the request and it should be honored.

It was the general consensus to place Brothers United Who Dare to Care back on the allocation list.

Councilmember McIntire asked why funding for Youth Violence Prevention is recommended to be removed. Ms. Hepburn stated they have been trying to move forward. As of Friday, the partners are not far enough in the process to give them a number they need. They do not have the backup information to show what they will use the funds for. Mr. Nicewarner stated he has made it clear the numbers are needed by October, 2023.

Mayor Martinez stated the money shouldn't be removed from the different areas, especially the youth violence prevention initiative.

Councilmember Aleshire agreed the funding should stay on the allocation list. If the program can be covered with ARPA funds it shouldn't be funded through the police department budget.

Funding for Brothers United Who Dare to Care and the Youth Violence Prevention program will be restored in the list. There will be \$ 600,000 available for the non-profit program. Anything left will be added to the revenue replacement category.

ARPA Nonprofit Funding Request Program

Michelle Hepburn, Chief of Financial Officer, stated over the past few months, there has been an increase from various nonprofit agencies and groups to utilize some of the City's ARPA funding. There is not a current program in place for nonprofit agencies to submit a formal application nor a current approved allocation amount of ARPA funds in the City's overall strategy for these types of incentives. In addition, staff is in the process of evaluating the progress of all ARPA allocations and utilization to meet federal deadlines. As a result, staff has developed a draft Nonprofit Funding Request Application and Nonprofit Funding Request Guidelines. The draft document is included in the meeting material.

This proposal is meant to respond to the negative economic impact nonprofit organizations experienced due to the COVID-19 pandemic and help provide support to the community to better serve the citizens of Hagerstown that fall within certain categories as outlined in the application: Children & Families, Seniors, Economic Recovery, Health/Health Disparities, Transportation, Mental Health, and Education.

In order to fund this incentive, staff propose reallocation from several unused allocations into one for a total not to exceed \$ 690,005 with a maximum of \$ 50,000 per category for grant recipients.

Projects that will be considered eligible for funding must identify a direct or indirect negative impact of the COVID-19 pandemic. Applicant proposals should demonstrate how the funding will be used to address either the general, broad-based impacts of the pandemic or to assist disproportionately impacted communities, which faced the most severe negative impacts due to pre-existing disparities.

Applicants may apply for awards up to \$ 50,000 per project category. If the project proposal includes program components under both Education and Mental Health categories, the nonprofit may apply for up to \$ 50,000 for Education and up to \$ 50,000 for Mental Health for a total of \$ 100,000. All project components must be clearly outlined in the application.

Project proposals may remedy the negative impacts of the COVID-19 pandemic directly or indirectly. Direct projects respond to effects that can be solely attributed to the COVID-19 public health emergency. Indirect projects may address other negative effects of the COVID-19 pandemic beyond prevention or vaccination.

The City will accept requests for funding submitted by 4:00 p.m. on September 1, 2023. Questions regarding the application process will be received through 4:00 p.m. on August 25, 2023. All applicants will be notified of the final determination, anticipated in October 2023. All disbursements will be by reimbursement only.

Initial application evaluations will be completed by a subcommittee of the City's ARPA Grant Steering Committee. The subcommittee will grade each project using an evaluation matrix and determine if a project should be recommended for final review and approval by the Mayor and City Council. Determinations made by the Mayor and City Council be considered final.

Councilmember McIntire noted Holly Place senior living received less funding through the Community Development Block Grant (CDBG) program. This organization needs additional funds, and she wants to be sure the wording allows them, and other organizations like them, to apply for this funding.

Councilmember Schindler asked if the funds will be distributed evenly throughout the categories as much as possible. Ms. Hepburn stated every application will be reviewed using a standard matrix. The Mayor and City Council will receive a listing of the applications showing the scoring. The list will also show the applications that were not eligible.

Councilmember McIntire asked how this program will be announced. Ms. Hepburn will have Brittany Arizmendi, Community Engagement Officer, and Wes Decker, Communications Manager, help notify everyone of this funding possibility through their social media and other outlets. A future Council Wraps will also outline the program.

Councilmember McIntire asked that staff notify the organizations that did not receive full funding through the CDBG program of this opportunity.

Formal approval of the program will be included on the agenda for the July 25, 2023 Regular Session.

Request for an Extension to City Water and Wastewater Approval: TC Mid Atlantic Development V, LLC

Doug Reaser, Business Development Specialist, and Nancy Hausrath, Director of Utilities, were present to review the request for an extension to an approval for an exception to the City's Water and Wastewater Policy as a vital economic development project or an economic development project located in the targeted economic

development area at the airport, as delineated in the County's 2002 Comprehensive Plan (Exception #6).

The Exception was provided to TC Mid Atlantic Development V, LLC for a speculative industrial warehouse on Maryland Route 63. The investment is anticipated to be \$ 100 million with an estimated 500 jobs created. The estimated water use is 2,400 gallons per day (12 EDUs).

Approval was granted on March 8, 2022 and is set to expire on September 8, 2023. The developer still desires to develop the property but market conditions have softened from the original request and approval. As such the developer is now seeking an additional eighteen (18) months. The requested extension would expire January 25, 2025.

The location of the site is within the agreed upon boundary adjustment of the Medium Range Growth Area (MRGA) which was reviewed by the City and County in June, 2020.

It was the general consensus to include approval of the requested extension on the July 25, 2023 Regular Session agenda.

Downtown Event Grant Process

Brittany Arizmendi, Community Engagement Officer, presented an updated process and event application for Downtown events.

Changes include the following:

1. Changing the title from Event Sponsorship to Downtown Event Grant
2. Money will be given to organizations only – not individuals
3. Cap on funding
4. Funding range is from \$ 500 to \$ 3,000
5. Reimbursement only
6. Grading criteria

The goal of the Downtown Event Grant is to have organizations host events within the Main Street district to help bolster economic growth and encourage community involvement.

This grant program is intended to provide funding for events and activities to bring people downtown. If the Mayor and City Council wish to discuss funding for helping with bus trips, field trips, and similar activities, the funds should be from a different source.

Applications must be submitted 30 days or more before the event is slated to occur. Funds will be disbursed on a reimbursement basis only. The event must be held entirely in the Main Street District or in the City's park system.

Councilmember Burnett likes the fact that the parks are included as event areas. With the renovations that are being done at parks, she thinks the City's parks should be highlighted.

Councilmember Burnett suggested including a Main Street map and a map of the parks in the application packet.

Ms. Arizmendi stated she would be open to making the event area be the A & E District, which is a few blocks larger than the Main Street Area.

It was the general consensus to accept and approve the Downtown Event Grant program as presented.

Ms. Arizmendi reported there were 23 sponsored events in FY23. She has already received 24 requests for FY24 and that does not include 9 previously held events that have not submitted an application yet. Events that have been fully funded in the past may not receive the full requested amount due to the increase in events.

CITY ADMINISTRATOR'S COMMENTS

Scott A. Nicewarner, City Administrator asked Ms. Arizmendi to review the coming events for the week. She stated the MDWK market and music starts this Wednesday. Story Time in the Plaza is being held on Thursday mornings at University Plaza.

Mr. Nicewarner stated Ms. Arizmendi and Jen Young, Event Coordinator, were the highlights of the entire MML Summer Conference held recently in Ocean City, Maryland. They handed out 800 Krumpes Donuts to people in attendance. This give-away generated the most buzz at the Convention Center. A lot of people were talking about the field house and multi-use center project.

Ms. Nicewarner thanked the Mayor and City Council for their efforts to have Hagerstown named a Banner City again this year. He was notified that the MML Board of Directors selected him as the Chair of the Legislative Committee.

The last outdoor movie will be held on Friday. This has been a great series.

He thanked all City staff for their efforts to make the Fireworks at Fairgrounds Park a successful and safe event. The number of people using illegal fireworks was overwhelming. Police officers were using drones to locate where the fireworks were being shot from. Charges are pending.

MAYOR AND COUNCIL COMMENTS

Councilmember S. McIntire announced the Hagerstown Youth Council application deadline has been extended to July 14, 2023. This is a great opportunity for youth to learn about City government.

Councilmember R. E. Bruchey, II, stated Mike Keifer presented the City with a pencil drawing of the baseball team of the Hagerstown, Indiana baseball team that played in the Little League World Series last year. A group of Hagerstown, Indiana residents and elected officials visited Hagerstown, Maryland last month.

Councilmember Bruchey thanked Mr. Nicewarner and City staff for providing finality to the 911 Center debacle of the last 3 to 4 years. The Washington County Commissioners voted to accept the MOU earlier today. He thanked the Commissioners and County staff as well. He hopes this is the start of moving forward on other issues.

He stated he talked to Mr. Nicewarner about using some ARPA funds to address security in neighborhoods.

Councilmember T. Burnett gave a shout out to Downtown Hagerstown for sharing the events happening every week. It seems there is something every day. The Caribbean Festival was a great event. She was happy to see so many people in attendance.

Councilmember K. B. Aleshire thanked the folks who positively assisted the young man who had a serious situation at Potterfield Pool recently. He hopes the young man and his family are doing well. He urged the adults who did not react in a positive way to keep in mind the young people are trained lifeguards. Municipal pools are not intended to be used for babysitting or daycare and requires responsibility from everyone there. He is glad cooler heads prevailed and he wishes people would understand Facebook is not a news outlet and it does no good service to the young folks who take on that responsibility. The lifeguards did their jobs and the young man is healthy. Pools and other amenities are not obligations. The Mayor and City Council have the opportunity to provide this amenity and people have the opportunity to participate but the City does not have to provide the amenity.

Councilmember M. J. Schindler noted it has been a busy two weeks. It's difficult to recognize all the events that have been taking place. He agreed with Councilmember Burnett that seeing a lot of people attending events is great. He thanked all City staff involved with the Fireworks at Fairgrounds Park. He noted the Hagerstown Fire Department staff were stretched thin. They also responded to a fire incident the evening of the fireworks. He knows they are struggling with staffing. He hopes they continue to ask the Mayor and City Council for what they need. He congratulated Hagerstown Hopes for their successful event at Doubs Woods Park.

Mayor T. A. Martinez attended the MML Summer Conference last month. Mr. Nicewarner was a panelist for the Homelessness Work Session. Everyone across Maryland is trying to figure out how to address this issue. No one has an answer, but it was obvious Hagerstown is doing more than some other communities.

Mayor Martinez hopes the Surrey Hill project can be completed. They were not able to get the initial funding and are looking at another investor.

She attended a Celebration of Life for the homeless woman who died at the Hager House in May. Community partners who help the homeless were there also.

The Caribbean Festival was a great event and many people from outside the area were in attendance. She was honored to be part of the Maryland Symphony Orchestra's Celebration of Independence. The Hagerstown Hopes event was a great event.

No one has ever been through what everyone went through in 2020. She urged people to find a way to just be kind. We don't know how to get out of this situation, but we can find a way if we are kind to each other.

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 6:35 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: August 22, 2023