

WORK SESSION AND EXECUTIVE SESSION – March 2, 2010

Mayor R. E. Bruchey, II called this Work Session and Executive Session of the Mayor and City Council to order at 4:05 p.m., Tuesday, March 2, 2010, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers W. M. Breichner, M. E. Brubaker, F. Easton, A. C. Haywood, L. C. Metzner; City Administrator Bruce Zimmerman, City Attorney John Urner, City Attorney William Nairn and D. K. Spickler, City Clerk.

Hamilton Hotel Adaptive Re-Use

Kathleen Maher, Planning Director, was present to discuss a request by Ares Investment Group, LLC for a waiver from the APFO school adequacy requirements, or approval of a school adequacy mitigation plan, for adaptive re-use of the old Hamilton Hotel from vacant commercial space to 24 multi-family condominium units. This process would start with the Mayor and Council with a recommendation made to the County Commissioners. The City cannot approve a mitigation plan, however, unless the County Commissioners concur, and so, next, the property owner would need to go before the County Commissioners for consideration and action on their proposal.

Ash Azadi, owner, was present to answer additional questions. He stated the building is within 500 feet from a parking deck and residents could park there, if they chose to.

This project would help encourage people to live downtown. It was the general consensus of the Mayor and City Council to recommend to the County Commissioners that a waiver from the APFO school adequacy requirements be granted.

Single Family Homeownership Program Modification

Larry Bayer, Community Development Director, reported that for 18 years, the City has operated a very successful homeownership program. During that time, 91 residents have become homeowners through participation in the program. Unfortunately, only 3 units have been sold over the past three years.

At this time, there are seven completed units in inventory and one on which construction has not yet begun. Continuing to maintain these vacant units is resulting in substantial cost to the program. After much discussion, staff is recommending that the Single Family Homeownership Program be modified to include lease-purchase as an option for potential homebuyers. The lease-purchase option would permit the City to have the units occupied by households that, except for credit issues, would otherwise be eligible for the program.

Staff of the Community Development Department has no experience in managing rental housing or providing needed case management skills dealing with credit repair.

Staff feels it would be wise for the City to bring in an outside agency which has experience in these areas. The staff of Washington County Community Action Council meets these criteria. They are willing to assist the City with this venture.

Councilmember Haywood asked if the qualifications could be adjusted. Mr. Bayer indicated the mortgages are through the Maryland program and the interest rates are comparable to the market.

It was the general consensus of the Mayor and City Council to modify the program and to authorize staff to negotiate a contract with CAC to manage the properties and provide case management services for participants.

Parking Deck Weekday and Evening Rates

Eric Deike, Public Works Manager, and Jason Rodgers, Parking System Supervisor, were present to discuss parking rates at the parking decks. Staff is requesting that the parking fee of \$ 1.00 be applied for any parking time after 4:00 p.m. and before 6:00 a.m. of each weekday for the North Potomac Street and Arts & Entertainment parking decks in lieu of the current 7:00 p.m. start time. The new time would go into effect Monday, March 8, 2010.

In September, 2009, the Mayor and Council approved the addition of a \$ 1.00 fee for parking in the decks after 7:00 p.m. and before 6:00 a.m. weekdays and all day Saturday, Sundays and holidays. The new fee went into effect January 4, 2010.

Since that time, several of the downtown businesses have requested that the time be changed to 4:00 p.m. in lieu of 7:00 p.m. during the weekday evening hours. They felt it would encourage more business for those attending dinner or other evening activities. Staff has reviewed their request and agrees the time should be changed.

Councilmember Breichner asked what can be done to help with long lines of vehicles to exit after an event. Mr. Deike stated this has been reviewed and several options are being considered. Bruce Zimmerman, City Administrator, stated when there is a large event at the Maryland Theatre, staff will coordinate efforts to reduce the wait time. This would extend to other large events as well.

It was the general consensus to approve the change in the rate hours, effective March 8, 2010. A resolution will be scheduled for approval on March 23, 2010.

Mr. Deike reported snow removal has continued, through today. The Public Works department is also working on patching potholes as they are reported.

Bicycle Master Plan

Rodney Tissue, City Engineer, presented the City of Hagerstown Bicycle Master Plan (BMP) to the Mayor and City Council. In December, staff briefed the City Council while

they were developing this plan. Since that time, staff obtained a tremendous amount of input from the community, the Planning Commission, Board of Traffic and Parking, Green Task Force, Maryland Department of Transportation, and design professionals.

The BMP is a joint effort of the Engineering and Planning Departments of the City of Hagerstown. The mission of the Bicycle Master Plan is to “make bicycling a safe, viable, and sustainable transportation option in the City of Hagerstown.” The six goals of the Master Plan are as follows:

1. Creation of bike lanes on the “Proposed Hub City Bicycle Network” Plan
2. Adopt “complete streets” policies
3. Develop a comprehensive bicycling marketing plan
4. Provide adequate bicycle parking
5. Install bicycle safe storm drains on all designated bike routes
6. Adopt a Bicycle Advisory Committee to promote education, safety and monitor maintenance of the Network

Staff realizes this will take years to be implemented and many public and private entities must join the City to make this successful. This plan provides a roadmap to the bicycle facilities the City wishes to have in the future.

There are fourteen potential sources identified for possible funding in the plan. Approval by the Mayor and Council to seek this funding would be required. A plan to coordinate the formal integration of bicycles in the existing infrastructure is necessary to improve safety and create a multi-modal transportation system friendly to the citizens of Hagerstown, and the surrounding areas.

The BMP seeks to make Hagerstown bicycle friendly and promote bicycling by constructing a comprehensive network of bike lanes and routes. Current low bicycling rates are due to a lack of infrastructure and accommodations. The BMP will seek to comprehensively evaluate the City and provide recommendations for an extensive bike network. This plan also emphasizes safety, education, and encouragement programs as key components of success. Typically bicycle infrastructure comes first, and then gradually increasing use before the use of bicycles is a significant means of transportation.

Mr. Tissue indicated there were a number of people in the community that would be willing to serve on an advisory committee.

It was the general consensus to move forward with accepting the bicycle master plan.

Rental Licensee Ordinance and Vacant Structure Ordinance Amendments

Rodney Tissue, City Engineer, and John Lestitian, Director of Code Administration, were present to discuss proposed amendments to the Rental Facilities Ordinance, Vacant Commercial Structure Ordinance and the Vacant Residential Structure Ordinance. The

amendments are of a housekeeping nature to bring the ordinances in line with the current process, policy and a court decision. The majority of the issues were previously discussed in the Code Administration update provided during the August 18, 2009 work session.

Amendment one applies to the Rental Facilities Ordinance, Vacant Commercial Structure Ordinance and the Vacant Residential Structure Ordinance. An Appeals Court decision stated that a municipality may not demand to know the names of stockholders or members in a legal entity as a part of an application process. These three ordinances have language which requires such information.

Amendment two applies to the Rental Facilities Ordinance, Vacant Commercial Structure Ordinance and the Vacant Residential Structure Ordinance. These ordinances require no violations to be present prior to the issuance of a license and prohibit occupancy or use of a structure without a license. The vast majority of properties have violations and, depending on the totality of circumstances, it may take extended periods of time to abate the violations. The ordinances as written, actually require stringent enforcement for violations, however slight. Administratively, staff members issue licenses despite violations and rely upon other relevant code sections should an owner fail to abate a violation.

Amendment three applies to the Rental Facilities Ordinance. Interior inspections are conducted at a tenant turnover but never more frequently than every 36 months. Rooming houses (there are three in the City) present a unique challenge for the owners due to high turnover and the scheduling of requisite inspections. Staff has administratively worked with the owners to conduct inspections.

Staff seeks direction from the Mayor and Council to amend the ordinance to provide that interior inspections of rooming houses will occur every 36 months and not be dependent on occupancy status. Owners will be required to notify all occupants of scheduled inspections.

Amendment four applies to the Rental Facilities Ordinance. The exterior of every rental property (presently approximately 3,000) is required to be inspected annually. Staff believes that responsible ownership should be rewarded and staff time properly allocated. Case management analysis indicates that more staff time is needed on deficient properties. Staff has administratively waived inspections. Staff seeks direction to amend the ordinance to provide that the subsequent exterior inspection of an inspection which resulted in no violations other than transient conditions be biennial instead of annual.

It was the general consensus of the Mayor and City Council to move forward with these amendments. The City Attorney will draft language to amend the existing ordinances.

John Urner and William Nairn, City Attorneys, arrived at the meeting.

County Tax Rate Differential

Alfred Martin, Finance Director, was present to provide updated information regarding the change in the tax rebate formula from the County. In lieu of paying the municipalities the tax rebate amounts directly as had been done under the old agreement (since 1986) the County is planning to use a new tax rate differential model that would reduce the County tax rate for municipal taxpayers directly. The model they propose using is one the City discussed with them over seven years ago. It is based on the model that was developed by the public accounting firm Peat Marwick. The County feels it will address a concern that has been expressed for years about the caps and would consider all services that the County provides on a comprehensive basis, not just three.

The actual amounts taxpayers might receive next year in the form of a lower County tax rate differential in the City is not known at this time. It will depend on the County budget process and what they decide to do with their FY 2011 budget amounts and how County costs and revenues are allocated in the model for FY 2011.

Mr. Martin indicated staff is concerned how the water and sewer transfers were treated as a countywide cost. He stated it will be helpful to know which other expenses are being considered as countywide expenses. What the municipality pays for services provided is not a relevant point for the model. The important issue is the level of services the county chooses to provide.

Councilmember Metzner suggested stopping contributions for countywide expenses if the City does not receive consideration for the contribution. He used the Narcotics Task Force as an example. He stated he thinks a tax differential is appropriate.

Bruce Zimmerman, City Administrator, stated this is intended to be a differential, rather than a rebate. This information is important for City residents.

Councilmember Brubaker expressed concern that tax differentials in other Maryland counties are higher than Hagerstown's. He also expressed concern that under this model, Hagerstown, a full service municipality, is treated the same as any other municipality. Councilmember Haywood stated one difference is that this area is less urban than Anne Arundel County.

Mr. Martin stated a component of the formula is how revenue and debt are allocated. Mr. Zimmerman pointed out the City is focused on making sure the taxpayer receives the correct amount on the tax bill from the County.

These concerns will be discussed with the County. Greg Murray, County Administrator, is scheduled to attend the March 9, 2010 meeting of the Mayor and City Council.

CITY ADMINISTRATOR'S COMMENTS

Bruce Zimmerman, City Administrator, thanked Karen Giffin, Director of Community Affairs, and Eric Hastings, TV Production/Web Coordinator, for their work on the State of the City presentation. He thanked the Mayor and City Council for their efforts over the past year.

MAYOR AND COUNCIL COMMENTS

Councilmember M. E. Brubaker had no additional comments.

Councilmember W. M. Breichner expressed condolences to the family of Tom Cochrane, who passed away recently. Mr. Cochrane was dedicated to the city. He served on the Water Board and the Board of Technical Appeals. He had many ideas that were innovative.

Councilmember L. C. Metzner expressed sympathy to Mr. Cochrane's family. He thanked everyone involved in the State of the City presentation. He attended the Doleman fundraiser and was exposed to a new style of music.

Councilmember A. C. Haywood expressed condolences to Mr. Cochrane's family. She welcomed Nigel Dardar, Hancock councilmember, to the meeting. She agreed that the State of the City was well presented. She would like to look at a different format. The time and cost of the event made it prohibitive for some citizens to attend.

Councilmember F. Easton thought the State of the City presentation was excellent. He attended the Doleman fundraiser and the music was inspirational. Councilmember Haywood, Councilmember Metzner, and Councilmember Brubaker presented City projects to federal legislators and did a good job.

Mayor R. E. Bruchey, II offered condolences to Tom Cochrane's family also. The Cabin Fever Festival will be held on March 4, 2010 at the Maryland Theatre. He thanked everyone who gathered information for the state of the City and everyone who put it together. The video will be available on-line and on Channel 6 in the next few days. He is looking forward to discussing a strategic plan in April.

EXECUTIVE SESSION – March 2, 2010

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember W. M. Breichner, the Mayor and City Council unanimously agreed by voice vote to meet in closed session to consider the acquisition of real property for a public purpose and matters directly related thereto, #3 and to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, #1 at 6:10 p.m. in the Council Chamber, 2nd Floor, City Hall, Hagerstown, Maryland. The following people were in attendance: Mayor R. E. Bruchey,

II, Councilmember W. M. Breichner, Councilmember M. E. Brubaker, Councilmember F. Easton, Councilmember A. C. Haywood, Councilmember L. C. Metzner, City Administrator Bruce Zimmerman, John Urner, City Attorney, Deborah Everhart, Economic Development Director, Alfred Martin, Finance Director, and Donna Spickler, City Clerk. The meeting was held to discuss a real estate contract for a downtown building, board membership for the next phase of Hagerstown Advance and continuing discussions of a business proposal for acquisition of a downtown building. No formal action was taken at the meeting. On a motion duly made, seconded and passed, the meeting was adjourned at 7:20 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: April 27, 2010