

**55<sup>TH</sup> REGULAR SESSION, WORK SESSION AND EXECUTIVE SESSION –  
JUNE 19, 2007**

**WORK SESSION – June 19, 2007**

Mayor R. E. Bruchey, II called this Work Session of the Mayor and City Council to order at 4:20 p.m., Tuesday, June 19, 2007, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers M. E. Brubaker, K. S. Cromer, L. C. Metzner, P. M. Nigh and A. Parson-McBean; City Administrator Bruce Zimmerman, City Attorney John Urner and D. K. Spickler, City Clerk.

**Upstairs, Downtown: Hagerstown**

Sharon Disque, Executive Director, Hagerstown Neighborhood Development Partnership, Inc., presented information about “Upstairs, Downtown: Hagerstown”, an initiative to encourage redevelopment of Hagerstown’s vacant upper floors.

The more than 500,000 square feet of vacant upper floor space in Downtown Hagerstown provides an opportunity to address a shortage of housing for middle income households. The Hagerstown Neighborhood Development Partnership assembled a team of professionals to study one building in particular. Their goal: to identify the physical, financial and market-driven issues which have prevented redevelopment of these spaces.

Major hurdles, many of which are real and some that are not, that keep property owners from investing in upper floor renovations are:

1. High costs: Acquisition prices, renovation costs, market rate rents and condo prices presently create a situation where the cost of renovating a building exceeds the finished value of the project.
2. Handicapped accessibility: Alternatives exist under state law, providing some flexibility.
3. Local Property Tax Credits: Programs adopted by the City and County in 2006 do not apply to projects where vacant commercial space is converted to residential units.
4. Mortgage and Rental Assistance Programs: Programs such as Hagerstown’s Downtown Residency Initiative and House Keys 4 Employees have a small influence on the rate at which newly created apartments or condos are rented or sold, but no impact upon the physical constrains, development timeline, construction costs or developer financing.
5. Water and Sewer: Currently, sewer availability will not impede upper floor projects. However, the cost of additional allocation will add a significant burden to renovation in buildings with previously little allocated volume, \$ 6,900 for every new residential unit.

6. Adequate Public Facilities Ordinance: For projects that create six (6) or more new residential units, support from City and County elected officials is needed for APFO approval via the ordinance's revitalization clause.
7. Parking: Nearly all commercial buildings in the vacant upper floor inventory lack the land area to meet the City's Zoning Ordinance requirement of two (2) parking spaces per each newly created residential unit. Existing units are not required to create additional spaces.
8. Historic Preservation Tax Credits: These Federal and State programs are necessary in structuring a successful financial package. However, a developer cannot take advantage of the Federal program when a project involves condos rather than rental apartments.
9. Excise Tax: Given the significant hurdles associated with redevelopment of upper floor space in a tight, urban setting, the exemption of properties in the C3 District from City and County excise tax is essential.

Commissioner Kercheval asked if there are specific changes in the tax credit program that would assist in rehabilitation efforts. Ms. Disque indicated changing local tax credit regulations so they apply when creating new units and establishing a revolving loan fund to fill the gap between bank and other financing options may help.

The cost to install an elevator in a large building can be substantial but not insurmountable. Even though a condo has a higher value, there is a demand for attractive rental units in the downtown area.

Commissioner Aleshire stated everyone needs to understand the beneficial affect on the utility resources of renovating a building with existing services as opposed to creating rental units on a vacant piece of land, with no existing services.

Councilmember Parson-McBean suggested looking at similar programs in Washington, DC to see how they worked and what problems were encountered. She asked how this would affect the supply of workforce housing.

A suggestion was made to review this at the next joint meeting and discuss how the APFO, existing tax credits and parking issues affect the program. Viable solutions to address these issues should also be discussed.

#### Combined Emergency Communications/911 Center

The Consolidation Committee discussed their efforts to date and strategies for accomplishing the consolidation effort.

Sheriff Mullendore reported a firm has been chosen to help design a radio system as part of the combined emergency communications/911 center. The radio system will allow all agencies to be in contact with each other. The completion of the combined center will provide the Washington County Sheriff's Department, Hagerstown Police

Department and Washington Fire and Rescue to access one CAD (computer aided dispatch) system and have access to all the record management systems.

John Latimer, IV, Director of Fire and Emergency Services, stated a consolidated center will have a positive outcome. One of the benefits will be more efficiency. The committee is proposing to develop a Governance Committee. Members of the Governance Committee would be the Sheriff of Washington County, one County Commissioner and one Councilmember.

Chief Arthur Smith, Hagerstown Police Department, stated currently, there is Inter-agency public safety cooperation with the Narcotics Taskforce, Special Response Team, Emergency Medical Services and Forensic Laboratory Service. Other combined efforts include K9 training and availability, a mobile command post, school resource officers, child advocacy center and a gang prevention taskforce.

The combined center will enhance the safety of public safety personnel.

#### Homeless Task Force Report

Dale Bannon, United Way Executive Director, presented the findings and recommendations of the Mayor's Taskforce on Homelessness for 2006-07. Dave Jordan, CAC Executive Director, Terri Baker, REACH, Richard Willson, Washington County Housing, and Rick Rock, Mental Health Authority, also presented information.

Eliminating homelessness within each individual or family should be an overarching goal for this community and the nation. The various members of the Mayor's Taskforce sought best practice solutions for preventing and eliminating homelessness in Washington County. Meeting together was a major accomplishment and provided a solid framework of understanding for all stakeholders involved.

The major recommendations focus around five core areas:

1. Strengthen HMIS (Homeless Management Information System) and create a single point-of-access to service programs (\$ 60,000)
  - a) Expand existing HMIS to all homeless service providers (including public entities)
  - b) Two single points of entry – one in Hagerstown and one in Hancock
  - c) Utilize photo ID and barcode equipment
  - d) Offer incentive for data entry participation
  - e) Will provide accurate statistics and help us better understand the problem
  - f) Ultimate goal – self-sufficiency for each individual and family through team case management
2. Advocate for a change in the prison inmate release policy

- a) Strengthen the HMIS, so that we can obtain the data to better define the problem and make the best recommendations for our community concerning inmate releases
  - b) Ask the City, County and the Washington County Taskforce on Homelessness to support the plan of the Mayor and the Chamber's coalition
  - c) Ask the Washington County Taskforce on Homelessness's service providers to make a commitment in a united force and in writing not to be a part of a home plan unless the inmate was previously from Washington County
  - d) Ask leaders from area agencies (social services, law enforcement, etc.) to meet with their counter parts in Maryland communities where there are prisons, to see if they are facing the same concerns and find ways to come together to influence DOC inmate release system policy
3. Offer additional mental health services through crisis intervention services
  - a) Mobile Mental Health Crisis Team – trained mental health professionals, accompanied by the police, provide on-site, immediate response to a person in crisis and determine whether psychiatric hospitalization is needed.
  - b) Residential Crisis Beds – short-term, intensive mental health and support services for consumers in a community-based non-hospital residential setting rendered by a provider approved under Maryland law – Used as an alternative to psychiatric inpatient admission or step-down to community to shorten the length of inpatient stay
4. Consider a pilot of a Day Shelter on an interim basis to determine need and successful participation
  - a) Could be the “hub” for the single point of access to service through HMIS
  - b) Mayor is in a dialogue with REACH and Community Action Council about a collaborative effort
  - c) Interim pilot – December 2007-February 2008
  - d) Goal – wraparound services for homeless individuals and families with the aim of self-sufficiency and permanent housing
  - e) Personnel costs for one year would be \$ 162,000, other costs to be determined
5. Support strategies that meet long-term housing needs
  - a) Work with public and private housing providers of rental assistance to insure that persons who are homeless receive a high priority for these scarce resources
  - b) Advocate for the Workforce Housing Taskforce Recommendations
    - 1) To invest in housing initiatives through a Trust Fund

- 2) Secure a consultant to keep the Trust Fund and work ongoing
- 3) Combine all Excise Tax recommendations together (once and for all) to create a system that works for housing and works to raise needed funding for education

The efforts will continue through the Washington County Task Force on Homelessness. Restructured Committees will convene to meet the community's needs.

Commissioner Aleshire asked what affect not allowing an inmate to remain in Washington County after being released would have on State funding. Ms. Baker indicated if someone needs emergency shelter REACH would provide it. Mr. Willson indicated if the "home plan" concept would be adopted, it would eliminate the concern expressed about released inmates remaining in Washington County.

Commissioner Aleshire asked who would be funding the initiatives. Mr. Bannon indicated the HMIS would be a priority project and he believes it would be a shared cost commitment because it is a county-wide issue. HMIS would provide the opportunity to collect the data necessary to develop a policy.

Councilmember Parson-McBean asked how other cities deal with the prison release program. She stated some of the home places will not allow them to return there.

Mr. Bannon stated the cards used with HMIS will track where a person has been and what services he/she has received. This will provide information in order to get the person to the next step toward becoming "self sufficient."

Councilmember Cromer stated there are many families that relocate here to be closer to their incarcerated family member. When released, those inmates use Washington County as their home plan.

Mayor Bruchey indicated prisoners need to be transferred to a facility in their home plan prior to their release. This needs to be an administrative change.

Councilmember Brubaker asked if there is a State funded mental health crisis team. Mr. Rock indicated the State is not continuing the program due to budget constraints.

### Central Booking

Sheriff Mullendore and Chief Smith provided information about the Central Booking facility. The facility is a one stop shop for those who have been arrested in Washington County, irregardless of what jurisdiction the arresting officer is from. This would allow officers to return to their area faster. This is an efficient way of managing the intake process.

The State will be providing \$ 94,000 and \$ 1,494,000 through the capital improvement projects budget, which will be 50% of the construction costs. The architectural services contract was awarded in April. A request for proposal should be sent out in January, 2008. Construction is expected to begin in March, 2008. It is anticipated the facility will be completed in December, 2008. The operational costs are expected to be approximately \$ 476,000.

Councilmember Nigh indicated Commissioner Wivell asked if the City is contributing \$ 500,000 toward the costs. She asked if Chief Smith, Sheriff Mullendore, Commissioner Wivell and she could meet to discuss the funding.

Alfred Martin, Finance Director, stated it is a 50/50 funding concept between the County and the State.

Commissioner Kercheval stated the Central Booking facility needs to be built and it makes financial sense to move forward with this shared resource.

Councilmember Nigh asked again if it was okay for the people she mentioned to meet and discuss the operational costs. It was the general consensus (of Councilmembers and Commissioners both) that there is no need for them to meet since funding for operational costs will be included in the County's budget.

#### Route 40/Edgewood Drive Update

The Maryland State Highway Administration (SHA) has developed a Memorandum of Understanding (MOU) for the reconstruction of U.S. Route 40/Edgewood Drive intersection improvements. The original estimate of the entire project stood at \$ 12 million in March 2006, including design, right-of-way, utility relocations and construction. Since then, the estimate rose to more than \$ 16.4 million in May 2007, due to increase in paving cost, land acquisition exceeding original projections, and a soil investigation resulting in a costly undercut of "unsuitable materials" so that the new pavement could adequately support the anticipated traffic. After Staff (County and City) met with SHA last month to brainstorm ways to significantly lower rights-of-way costs, SHA revised the total project estimate downward to \$ 14.4 million.

The draft agreement contains obligations and restrictions that both City and County Staff believe are not in the best interests of the local governments. Of primary concern are SHA's markups of 15% for contingencies, 15.3% for SHA's construction overhead, and 8.2% for SHA's administrative costs. Staff recommends meeting with SHA to discuss this matter in detail and recommend that these overhead fees be assessed only to the Edgewood Drive portion of the project since U.S. Route 40 is SHA's responsibility.

Rodney Tissue, City Engineer, stated the projected construction and right-of-way cost increases on the project will force the Mayor and City Council to revisit the City's funding share for the project.

Councilmember Metzner stated if the improvements are being made solely for the potential hospital relocation, he would recommend that nothing be done until the Board of Appeals has ruled on the court case. He is concerned there is no limit on how much will be spent without any significant plans for the future. Councilmember Brubaker is concerned as well.

Commissioner Aleshire has expressed some of the same concerns. The intersection must be improved and something will have to be done to reduce the cost. The County and the City has taken on the responsibility to improve roads that should have been done by the State of Maryland.

Commissioner Kercheval stated he is concerned about the impact on the businesses and the overhead costs that are written into the project.

Councilmember Cromer stated the costs of project continually escalate and the new intersection will be outgrown before it's built. She suggested lobbying for more State funding.

Mr. Rohrer stated alternative transportation routes are being reviewed. These routes could pull some of the traffic away from the intersection,

Mr. Tissue and Mr. Rohrer will continue to meet with the State.

#### EXECUTIVE SESSION – June 19, 2007

Councilmember M. E. Brubaker made a motion to meet in closed session at 6:37 p.m. to consult with counsel to obtain legal advice, #7. The motion was seconded by Councilmember P. M. Nigh.

Motion carried, 3-2 with Councilmember L. C. Metzner and Councilmember K. S. Cromer voting No.

No formal action was taken at the session. The meeting was held in Room 407, 4<sup>th</sup> floor at the City Hall. The meeting was adjourned at 6:55 p.m.

#### 55<sup>th</sup> REGULAR SESSION – June 19, 2007

**Mayor R. E. Bruchey, II called this 55<sup>th</sup> Session of the Mayor and City Council to order at 7:09 p.m., Tuesday, June 19, 2007, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers M. E. Brubaker, K. S. Cromer, L. C. Metzner, P. M. Nigh and A. Parson-McBean; City Administrator Bruce Zimmerman, City Attorney William Nairn and D. K. Spickler, City Clerk.**

Mayor Bruchey stated a moment of silence was held at 7:00 p.m. in memory of the nine firefighters in South Carolina who perished while fighting a fire on June 18, 2007.

The invocation was offered by Councilmember Mayor Robert E. Bruchey, II. The Pledge of Allegiance was then recited.

Mayor Bruchey announced the Rules of Procedure for this meeting will be followed as adopted March 28, 2006. It was announced that the use of cell phones and electronic devices during meetings is restricted and that all correspondence for distribution to elected officials should be provided to the City Clerk and should include a copy for the City Clerk for inclusion in the official record.

The next scheduled meetings are: Work Sessions beginning at 4:00 p.m. on Tuesday, July 10, 2007, Tuesday, July 17, 2007, Tuesday, July 24, 2007 and the Regular Session on Tuesday, July 31, 2007 at 7:00 p.m.

### **PUBLIC HEARING**

A Public Hearing was held to receive testimony on the Brook Meadow Townhomes, Planned Unit Development, ZM-2007-01 request.

Security Road, LLC and MBP, LLC made a request to establish a Planned Unit Development (PUD), Brook Meadow. The property is undeveloped land and is bounded by Security Road, Hamilton Run, Pangborn Park and the Pangborn Park Triplexes. The area is 20.29 acres. The existing zoning is R1 (Residential).

The Hagerstown Zoning Ordinance lists five general requirements for the establishment of a PUD District. All five of the requirements have been met.

The proposal meets the technical requirements of a Planned Unit Development as outlined in the Zoning Ordinance. Staff's concern relates to the purpose, as described in Section 68-22.1, "the purpose of the PUD is to provide for planned development incorporating a variety of uses and density levels" and also states further that a PUD "provides for a total development concept, including a variety of housing types". This proposal, consisting of 90 townhouse units and one existing commercial use, does not meet this criteria. A design concern is the exclusive use of garages and driveways fronting the street, which creates a cluttered streetscape of garage fronts, renders the sidewalks almost nonexistent, and interferes with street tree replacement. However, this proposal does present a feasible development alternative for a difficult site and is similar to the two recently constructed adjacent developments. Similar single use PUD's (Eastridge Townhomes and Deerfield Knolls) have been approved.

The Planning Commission recommended approval, with the additional recommendation that Staff continue to look into the parking issue for Pangborn Park.

Stuart Bass, Comprehensive Planner, entered the following as Exhibits:

- Exhibit 1: Certificate of Advertisement
- Exhibit 2: Notification to adjacent property owners



Exhibit 3: Planning Commission record by file

Jason Divelbiss, Miller, Stone, Baker, Oliver and Moylan, represented the owners and applicants. Mr. Divelbiss entered the following as Applicant Exhibits:

- Exhibit 1: Black and white map of the site
- Exhibit 2: Color rendering of the site
- Exhibit 3: Drawing of the layout of the buildings
- Exhibit 4: Photographs of the area around the site

The project had been designed as a duplex development. The Planning Commission was concerned about the affect of the development on Pangborn Park. The project was redesigned with a plan that protects the integrity of Pangborn Park. The new plan is for a 90 unit townhome development that occupies about half of the land area of the total site. There is a decrease in the amount of area occupied by the buildings. The planned open space is more than 2.5 times the requirement for a PUD. A PUD provides for a total development concept and needs to provide improvements to the overall quality of life for the City. The developer believes the policy and ordinance is met despite having one type of housing. The Board of Education has indicated there is adequate capacity in the high school and middle school serving the area, and, with the opening of Pangborn Elementary in 2009, they are confident there will be adequate capacity.

Councilmember Metzner stated the parking lot in the picture is owned by the City and is specifically not to be used by anyone other than patrons of Pangborn Park.

Councilmember Brubaker asked how much open space would be set aside if the PUD was not being considered. Mr. Divelbiss indicated if the development of 63 duplex lots was constructed, the buildings would extend to the north and be directly adjacent to Pangborn Park.

Councilmember Metzner would not support another development that could limit parking spaces available for Pangborn Park patrons. He doesn't believe a one car garage and one car driveway would meet the parking requirements.

Councilmember Nigh stated the parking situation is also dangerous with people parking partway in the roadway and across sidewalks.

Mr. Divelbiss stated centrally located parking lots could alleviate the parking concerns. The developer could also prohibit parking across the sidewalk through the Homeowners Association.

Councilmember Cromer asked if the City Engineer's issues had been addressed. Jim Bender, Assistant City Engineer, anticipated these issues would be discussed further, during the site plan review. Mr. Divelbiss indicated the issue of parking has been anticipated with the proposal for longer driveways.

Mr. Divelbiss stated the developer did not formally submit the duplex plan to the Planning Commission. It was submitted for preliminary review. If the PUD is not approved, the developer would revert to the original plan, which is permitted without appearing before the Mayor and City Council.

Councilmember Cromer asked if some of the units could be eliminated in order to have a lower density development. Mr. Divelbiss stated a higher count is needed to make it economically feasible for the developer.

Mr. Divelbiss stated more parking spaces are proposed than the minimum requirement. Councilmember Metzner stated only a few extra spaces are being provided, not an excessive amount.

Councilmember Parson-McBean asked what the square footage of the townhomes would be. They will be approximately 1,800 square feet. She recommended checking with other towns to discuss their experiences with common parking areas.

Councilmember Nigh expressed her concern about building in an area prone to flooding. She is also concerned about the capacity at Pangborn Elementary School. She asked who owns Park Overlook, the development adjacent to the parking lot, how many of the units are owned and how many are rented.

There was no testimony presented. The record will remain open for 10 days for public comments. The hearing was closed at 7:55 p.m.

### **CITIZEN COMMENTS**

Rich Pullen, 138 S. Mulberry Street, Hagerstown, Maryland, is a member of HA-DOG, a coalition of dog owners interested in establishing a dog park. HA-DOG's mission is to promote responsible dog ownership. A dog park will provide outdoor recreation, a chance to socialize and a safe place to enjoy with canine companions. He offered to assist with the creation of a dog park.

Myron Martin, 13235 Maugansville Road, Hagerstown, Maryland, asked the City to please open Terps Boulevard. He stated it doesn't appear the road is wide enough to permit on-street parking. There could be 350 trucks traveling that road each day.

### **MINUTES**

On a motion duly made by Councilmember K. S. Cromer and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to approve the minutes, as presented, for the Mayor and Council meetings held on April 17, 2007, May 1, 2007, May 8, 2007, May 15, 2007 and May 22, 2007.

### **CONSENT AGENDA**

On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember K. S. Cromer, the Mayor and City Council unanimously agreed by voice vote to approve the consent agenda as follows:

A. Engineering:

1. Installation of Ramps for Handicap Accessibility – Concrete Central, LLC (Hagerstown, MD) Not to Exceed \$ 25,000.00
2. Construction of Curb, Sidewalk & Pavement Repairs – Concrete Central, LLC (Hagerstown, MD)  
Part A: City Curb/Sidewalk or Abatements \$ 24,450.00  
Part B: Repair Damage Caused by Street Trees – Not to Exceed \$ 75,000.00

B. Human Resources:

1. Workers Compensation Renewal – Injured Workers’ Insurance Fund (Towson, MD) \$ 710,375.00
2. Aggregate Stop Loss Insurance – Mid Atlantic Underwriters, Inc./Ace American (Towson, MD) \$ 255,049
3. Dental Insurance – CareFirst Blue Cross Blue Shield (Owings Mills, MD) \$ 343,602
4. Administration of Claims – National Capital Administrative Services (NCAS) (Owings Mills, MD) \$ 334,615
5. Employee Assistance Program – Behavioral Health Services (Hagerstown, MD) \$ 12,012

C. Purchasing:

1. Boiler and Machinery Insurance – Wright Gardner Insurance Group (Hagerstown, MD) \$ 17,875.00
2. Liability (Auto and Equipment, General, Law Enforcement, Public Officials), Property Coverage and Excess Coverage Insurance–Local Government Insurance Trust (LGIT) (Columbia, MD) \$400,986.55

D. Water and Sewer Department:

1. Large Meter Replacements – L/B Water Service, Inc. (Chambersburg, PA) \$ 24,124.28
2. Pump Station Improvements – Construction Phase 1B – C. William Hetzer, Inc. (Hagerstown, MD) \$ 2,684,600
3. 6.4 Million Gallon Tank – Construction Phase 1A – Pre-Load, Inc. (Hauppauge, NY) \$ 3,013,000
4. Large Meter Replacements – HD Supply Waterworks, LTD (Martinsburg, WV) \$ 16,309.86
5. Meters for Residential Meter Replacement Program – L/B Water Service, Inc. (Chambersburg, PA) \$ 77, 600.00

**OLD BUSINESS**

**A. Approval of an Ordinance: To Prohibit Certain Vicious and Dangerous Animals Within the Corporate Limits of the City of Hagerstown**

**Action:** Councilmember P. M. Nigh made a motion to approve an ordinance to amend Chapter 87, Dogs and Other Animals, by adding a new Subsection 35. This amendment will require the owners of animals, which have been designated as dangerous, pursuant to the current Washington County Animal Control Ordinance, to remove the designated animal from the City of Hagerstown. This amendment does not alter the definition of dangerous animals as set forth in the current Washington County Animal Control Ordinance, nor implement any breed specific definition of dangerous animals. This ordinance also does not apply to animals declared vicious and dangerous prior to the effective date of this amendment. As noted in Section 3, the Code Amendment will become effective on September 24, 2007. Councilmember L. C. Metzner seconded the motion.

Motion carried, 4-1 with Councilmember K. S. Cromer voting No.

**B. Approval of an Ordinance: Refuse Collection and License Agreement for Cortland Villa Condominiums, Inc.**

**Action:** On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to approve an ordinance authorizing the Refuse Collection and License Agreement for Cortland Villa Condominiums, Inc. This action will allow the City's trash/recycling collection contractor to enter the private roads in this development and collect trash and recycling provided the residents pay the normal "collection fee" (that all City residents pay) and the owner's association indemnify the City.

**C. Adoption of Annexation Resolution – Eastern Boulevard (Shaoool), Case No. A-2006-03**

**Action:** Councilmember L. C. Metzner made a motion to adopt an annexation resolution for Ben Shaoool Construction for property located on the northeast side of the city, along Eastern Boulevard. The property to be annexed is approximately 5.948 acres in size and is intended to be added to and made part of the adjacent municipal lands. Councilmember A. Parson-McBean seconded the motion.

On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember K. S. Cromer, the Mayor and City Council

unanimously agreed by voice vote to table the adoption to give staff more time to work with County staff and others.

## **NEW BUSINESS**

### **A. Introduction of an Ordinance: Amend Chapter 60, Vehicles and Traffic, to Clarify Parking Prohibitions**

**Action:** On a motion duly made by Councilmember K. S. Cromer and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to introduce an ordinance to amend the City Code, Chapter 60, Vehicles and Traffic, by adding a new Subsection (23). This amendment will clarify certain parking prohibitions.

Discussion: Councilmember Nigh asked if there is a time limit for having dumpsters in the parking spaces. Mr. Bender indicated a permit is typically issued on a 30 day basis. If an extension is necessary, the person must reapply.

### **B. Approval of a Resolution: Dissolution of the Centre at Hagerstown Tax Increment Financing**

**Action:** On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to approve a resolution for the Dissolution of the Centre at Hagerstown Tax Increment Financing. As spelled out in detail in the resolution, the City has satisfied its obligations under the development agreement it had with the developer of the shopping center and the Tax Increment Financing is no longer needed.

Discussion: The December, 2006 bond issue included funding to retire the loan, at a much lower interest rate. This will save \$ 150,000 to \$ 200,000 per year in lost tax revenue.

### **C. Approval of a Resolution: Revised Consolidated General Services Agreement (CGSA) Amendment #9**

**Action:** On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember K. S. Cromer, the Mayor and City Council unanimously agreed by voice vote to approve a Joint Resolution of the Board of County Commissioners of Washington County, Maryland and the Mayor and Council of the City of Hagerstown, Maryland amending the Consolidated General Services Agreement for the Provision of Sanitary Sewer Service, attached as Amendment #9. The referenced parcel is identified as Lot 2, Parcel 888 containing 3.12 acres and located on Washington County Tax Map Number 38. This Amendment #9, dated

June 19, 2007 renders the previously accepted Amendment #9, dated February 27, 2007, null and void.

**D. Approval of a Resolution: Revising Monthly Parking Rates in the Lower Central Parking Lot for North Locust Street Residents Residing Between Alley #4-19 and East Franklin Street**

**Action:** On a motion duly made by Councilmember K. S. Cromer and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to approve a resolution revising the monthly parking rates in the Lower Central Parking Lot to \$ 25.00 per month, only for those North Locust Street residents between Alley #4-19 and East Franklin Street. The revised rates shall become effective July 1, 2007.

**E. Approval of Water Fund Dividend Policy**

**Action:** On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to approve a Water Fund Dividend Policy. The policy provides for an annual review of the Water Fund's financial condition after the end of each fiscal year. It establishes criteria for determination of the appropriateness and prudence for the declaration of a dividend from a portion of the retained earnings of the water fund and establishes controls to ensure that the payment of dividends does not jeopardize the financial health of the utility.

**F. Declaration of Water Fund Dividend**

**Action:** On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember K. S. Cromer, the Mayor and City Council unanimously agreed by voice vote to declare a \$ 250,000 Water Fund dividend and that it be transferred to the General Fund in accordance with the Mayor and Council's approved budget for the 2006/2007 fiscal year. This dividend is based on a review of the Water Fund's year end financial results for the fiscal year completed on June 30, 2006 and the financial projections of the Fund for the current year and the next five years. This transfer is being made in accordance with the City's Water Fund Dividend Transfer policy. It will maintain Water Fund year-end cash reserves greater than the funding needed for two months of operations, which is the level of reserves required by the City's policy.

**G. Approval of Application Permit: Demcore Entertainment LLC Music Festival – October 20, 2007**

**Action:** Councilmember K. S. Cromer made a motion to authorize the closure of the first block of South Potomac Street, and portions of North Potomac

Street, West Washington Street and East Washington Street on October 20, 2007 for a musical festival operated by Demcore Entertainment LLC. The Mayor and City Council authorize the applicant/permit agreement attached with Demcore Entertainment LLC. Also, according to the City of Hagerstown's Open Containers Law, the Mayor and City Council may permit the possession of alcoholic beverages in open containers on the streets, lanes, alleys, sidewalks, parking lots or public ways of the City during special events upon application or upon its own initiative. Therefore, Mayor and City Council formally approve the possession of alcoholic beverages (beer and wine) in designated festival area on the attached map for October 20, 2007 for the musical festival only. Hours of the festival are to be 11:00 a.m. to 10:00 p.m. Councilmember M. E. Brubaker seconded the motion.

Motion carried, 4-1 with Councilmember P. M. Nigh voting No.

#### **H. Approval of Modifications to the Hagerstown Revolving Loan Fund**

**Action:** On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote to approve modifications to the Hagerstown Revolving Loan Fund as follows: Increase the lending limit for working capital loans to \$ 50,000 and to \$ 200,000 for loans made for the purpose of property acquisition, equipment purchase or building rehabilitation; provide for a maximum repayment period of seven years for working capital loans in excess of \$ 30,000 and a 20 year maximum term with up to a 30 year amortization on loans collateralized by depreciable assets; and, set the loan rate at 1% above the Federal Fund rate in effect at the time of loan approval.

#### **I. Purchase of Replacement Police Computers**

**Action:** On a motion duly made by Councilmember L. C. Metzner and seconded by Councilmember A. Parson-McBean, the Mayor and City Council unanimously agreed by voice vote to approve the purchase of 14 replacement desktop computers from Dell Computers in the amount of \$ 17,248 for the City Police Department. These replacement PC's were included as part of the City's 2006/07 approved budget and adequate budgeted funds are available for this purchase.

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

*Bruce Zimmerman, City Administrator, had no further comments.*

**MAYOR AND COUNCIL COMMENTS**

*Councilmember P. M. Nigh* is concerned another lounge is being opened on S. Potomac Street. She expressed concern about the number of liquor licenses in the Arts and Entertainment District. She stated a City firefighter experienced chest pains today and he hopes to be home on Thursday.

*Councilmember K. S. Cromer and Councilmember L. C. Metzner* welcomed the Boy Scout troop members to the meeting.

*Councilmember A. Parson-McBean* acknowledged that today is Juneteenth, Freedom Day or Emancipation Day. William Clarence Marshall, a friend of hers, will be singing during the MSO Salute to Independence on July 7, 2007. Mr. Marshall visited Hagerstown recently and was impressed with the cleanliness of the City. She thanked all who helped to make this possible.

*Councilmember M. E. Brubaker* attended the regional transportation forum on June 16, 2007.

*Mayor R. E. Bruchey, II* reminded everyone Potterfield Pool is open, Market in the Square is held on the first and third Thursday each month and Fireworks at Fairgrounds Park will be held on July 4, 2007. He attended the fly-in at the airport on June 17, 2007. The Arts and Entertainment District is a district that promotes arts of all kinds – poetry, music, culture in general, stand up comedy routines, etc. It is not only a place to go and eat and drink, it is an area that will become very special and holds great promise. The Arts and Entertainment District will be a destination.

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 8:34 p.m.

Respectfully submitted,

Donna K. Spickler, City Clerk

Approved: July 31, 2007