

EXECUTIVE SESSION AND WORK SESSION – November 3, 2015

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On a motion duly made by Councilmember D. F. Munson and seconded by Councilmember M. E. Brubaker, the Mayor and City Council unanimously agreed by voice vote of all members present at the time of the vote to meet in closed session 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 (Section 10-508(a)), to consult with counsel to obtain legal advice, #7 (Section 10-508(a)), and to consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State, #4 (Section 10-508(a)), on Tuesday, November 3, 2015 at 3:07 p.m. in Room 407, 4th floor, City Hall, Hagerstown, Maryland. The following people were in attendance: Mayor D. S. Gysberts, Councilmember K. B. Aleshire, Councilmember M. E. Brubaker, Councilmember L. C. Metzner, Councilmember D. F. Munson, Councilmember P. M. Nigh, City Administrator Valerie Means, City Attorney Mark Boyer, City Attorney Jennifer Keefer, Karen Paulson, Director of Human Resources, Susan Delauter, Human Resources Administrator, Becky Royal, CBIZ, Michelle Hepburn, Director of Finance, Scott Nicewarner, Director of Information Technology and Support Services, and D. K. Spickler, City Clerk. Councilmember Aleshire arrived after the start of the Executive Session. The meeting was held to discuss various personnel issues, an offer of settlement for pending litigation, and a business proposal. No formal action was taken at the meeting. On a motion duly made, seconded, and passed, the executive session was adjourned at 4:16 p.m.

WORK SESSION – November 3, 2015

Mayor D. S. Gysberts called this Work Session and Executive Session of the Mayor and Council to order at 4:55, Tuesday, November 3, 2015, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers K. B. Aleshire, M. E. Brubaker, L. C. Metzner, D. F. Munson, and P. M. Nigh; City Administrator Valerie Means, and D. K. Spickler, City Clerk.

Oath of Office to Jill Frick, Director of Community and Economic Development

Mayor Gysberts administered the Oath of Office to Jill Frick, Director of Community and Economic Development.

Oath of Office to Kathleen Maher, Director of Planning and Code Administration

Mayor Gysberts administered the Oath of Office to Kathleen Maher, Director of Planning and Code Administration.

Gold Leaf Award – Presented by Becky Wilson

Becky Wilson, Maryland Forest Service, announced that Hagerstown has been awarded the ISA Gold Leaf Award for outstanding landscape beautification activities. The award recognizes the efforts of the Mayor and City Council and City staff to develop an Emerald Ash Borer Management Plan. The plan calls for the removal of all 90 of the small diameter ash trees in Fairgrounds Park. These trees will be replaced with 156 new trees. The beetles have already destroyed a large number of the 236 ash trees in City Park, with removal of the most declined trees being phased over two years. To compensate for the removal of the ash trees, about 100 other trees of varying species have been planted this year. The cost to treat the trees was \$ 22,000. Overall, the City hopes to save 108 of the 236 ash trees in City Park. Throughout the project's implementation, the City has provided continuous outreach to the community through a new web page, traditional and social media outlets and citizen involvement in the management of the City Park trees during the "tree tagging" event that took place in April, 2015. The City of Hagerstown has been a Tree City USA since 1986 and was presented with its 30th anniversary award this year.

Ms. Wilson nominated the City of Hagerstown for the award because she was moved by how the City dealt with the ash tree population.

Citizens Police Academy Presentation of Certificates

The following people completed the recent Citizens Police Academy: Joanne M. Ballengee, Helen DiStefano, Brian Federline, Julie Ferron, Jacob Geesaman, Shelia Gladhill, Rebecca Hagenberg, Christopher Howlett, Mindy Morgan, L. Angel Ross, Randy Scott, Michael S. Shepley, and Travis Walter. Each participant was presented with a certificate by Mayor Gysberts, Acting Police Chief Paul Kifer, and Officer Gerard Kendle.

West Washington Street Park Concept Plan

Rodney Tissue, City Engineer, was present to discuss a potential park on West Washington Street. In January, 2015, the City Council approved the acquisition of the property at 806 West Washington Street for "...the creation of a public park or open space". The purpose of this acquisition is to improve the livability of the immediate neighborhood, add open space, and remove blighting influence caused by the lot that has been vacant since the market burned in 1998.

A concept plan, developed by the City's landscape architect, was provided for review. Two public meetings were held, one on July 23 with low attendance and a follow-up meeting on September 16 with over 50 residents attending. Residents were asked to give their opinions on the various design elements of the park and also weigh-in on some very preliminary concepts. The final concept is an interactive-based neighborhood park that incorporates children's play elements, art, shade, and a small gathering area.

Staff is currently using a working name of “West Washington Street Park”, but that does not seem like a satisfactory name for the park. Staff would like direction from the Council on this. Some suggestions include:

1. Name the park for the “historic national road” that followed what is now Washington Street adjacent this park. This could include a plaque about the road’s historical significance and some national road-themed playscapes, art, etc.
2. Name the park after someone the Mayor and City Council wish to recognize

Funding for this project is included in the CIP, with \$ 250,000 in CDBG funds.

Staff envision designing and constructing the park with in-house staff. The goal would be to complete the design by Spring 2016 with construction during the second half of 2016 with a Spring 2017 ribbon cutting.

Councilmember Munson attended the community meetings and reported this concept incorporates the elements discussed at the meetings.

Mr. Tissue stated the next step in the process will be to review the concept plan with the citizens.

Councilmember Nigh suggested a railroad theme for the name of the park. Councilmember Munson suggested naming the park in honor of Junior Mason, Parks Superintendent, recognizing his 41 years of service to the City.

Councilmember Brubaker pointed out the park is being funded entirely by Community Development Block Grant (CDBG) funds. He noted CDBG funds would be distributed to some jurisdiction, so it is good for Hagerstown to benefit from the funding.

It was the general consensus to continue with the concept.

City Center Residency Initiative and City-Wide Down Payment Program Update

Jonathan Kerns, Community Development Manager, was present to provide an update on the progress of the City-wide Down Payment and Rehabilitation Program and the City Center Residency Initiative (CCRI) Program.

In October of 2013, the Mayor and City Council created the City-wide Down Payment and Rehabilitation Program. This program provides a loan to grant of up to \$ 7,500 for homebuyers to be used for down payment, select home repairs in conjunction with acquisition, or a combination of both. In order to be eligible, applicants must purchase a structure built prior to 1960 that has been vacant for at least twelve months. Homebuyers

utilizing the program are required to maintain the structure as their primary residence for a minimum of five years.

The goals of the City-wide down Payment and Rehabilitation Program include the following:

1. Supporting and strengthening City neighborhoods
2. Encouraging homeownership
3. Inspiring reuse and rehabilitation of existing vacant residential structures

The program was initially funded with \$ 150,000 from the General Fund Reserve. An additional \$ 30,000, originally budgeted for the CCRI program from General Fund Reserve, was transferred to the City-wide program in May of 2015. To date, twenty-four homebuyers have been assisted through the City-wide Down Payment/Rehabilitation Program and the program funds are now exhausted.

In 2004, the CCRI was created in order to incentivize housing in the City Center. The CCRI program was previously underutilized. Program edits adopted by the current Mayor and City Council have resulted in a significant increase in program participation. Eligible applicants for the program now include recent college graduates, active members of the military, USMH employees and students, HCC students, government employees, degree-holding professionals, and households with income exceeding 80% of the area median.

The program has two distinct components which offer financial incentives for eligible applicants that choose to reside in the current CCRI area:

1. Down Payment Assistance Component: Provides a \$ 10,000 loan to grant for an eligible homebuyer to utilize for down payment, select home repairs in conjunction with acquisition, or a combination of both. The homebuyer is required to maintain the home as their primary residence for five years. After the residency commitment is fulfilled, the \$ 10,000 loan is forgiven.
2. Rental Subsidy Component: Provides a \$ 150.00 per month or \$ 300.00 per month rental subsidy for an eligible applicant renting a home or apartment in the City Center for one year. The subsidy is in the form of a loan and is forgiven after a one year residency commitment is fulfilled.

Over the previous two fiscal years, the CCRI program was funded from the General Fund reserve. The CCRI down payment budget totaled \$ 70,000 and the CCRI rental subsidy budget totaled \$ 50,000. Seven homebuyers have been assisted through the CCRI down payment component and CCRI down payment funds are now exhausted. Sixteen rental households have been assisted through the CCRI rental subsidy component and \$ 15,000 remains in the FY 16 CCRI rental subsidy budget.

Staff has reviewed the regulations regarding the funding that was used to purchase 278 S. Prospect Street. The funds were provided through a Community Legacy Grant. When this property is sold, the proceeds will be available to the City of Hagerstown to

use, with no restrictions. Staff feel this revenue would be appropriate to consider using to fund the residency initiative. The Mayor and City Council may also wish to reduce the funding amounts in order to provide assistance to more residents.

Councilmember Brubaker asked how much 278 S. Prospect Street may sell for. Mr. Kerns indicated the expected range is \$ 70,000 to \$ 80,000.

Councilmember Aleshire agrees with utilizing the proceeds from the sale for the residency initiative. He does not think the assistance should be reduced. A number of duplex owners have asked him what can be done to address property maintenance issues with the other half of a duplex. He would like to discuss partnering with the owner of the well maintained half of the duplex to own or assist with the upkeep of the other half of the duplex.

Councilmember Brubaker is willing to support this plan for the remainder of the year. He also would like to have all the economic development incentives available as a package for potential residents and developers.

Mr. Kerns acknowledged Stacy Pierre-Louis, Business/Community Development Finance Specialist, and her work with assisting the 50 new City property owners through these programs.

Councilmember Metzner pointed out the City-wide Downpayment/Rehabilitation Program targets vacant structures.

Staff will continue to search for other revenue sources to supplement these programs.

Farmers Market Request for Proposal – Catalyst Project #7 – Expanded Operations of the City Farmers’ Market

Jill Frick, Director of Community and Economic Development, Kathleen Maher, Director of Planning and Code Administration, and Gaela Shoop, Community Event Coordinator, were present to seek approval of the proposed Request for Proposals (RFP) for a market operator for the Farmers’ Market. This project is consistent with the Community’s City Center Plan and the recommendations for Catalyst Project #7, Expanded Operations of the City Farmers’ Market.

The goal of Catalyst Project #7 is to expand the hours of operations of the Farmers’ Market, increase the number of vendors at the market, and rebrand the market to capture a portion of the estimated \$ 13 million of unmet demand for specialty foods in the retail market and provide groceries and locally grown produce for City Center residents and restaurants. To implement this initiative, the City intends to place the market under private management.

The RFP begins with an explanation of the Community's City Center Plan and Catalyst Project #7, Expanded Operations of the City's Farmers' Market, and providing information on the process of implementing the plan and on the City Center. Next is a description of the opportunity for proposers to be the market operator for the City's Farmers' Market and an outline of the City's expectations for proposers. The process and criteria for selection are outlined, with qualifications and experience playing a large role in the selection process, as well as approach to management and marketing. A detailed outline of Submission Requirements is included with a Submission Form matching the outline of requirements. And finally, instructions on submissions. A copy of the RFP was provided for reference.

In the Project Management section, submitters are asked to provide a Business Plan, Operations Model and Financial Model. Submitters are asked to take into consideration a set of "minimum requirements" in developing their responses. Staff have drafted recommendations in this section, and seek additional feedback and ideas from the Mayor and City Council.

In order to gain additional community input on future goals for Farmers' Market, the City hosted a public input session at the market on August 8, 2015. The meeting was facilitated by the Mediation Center. Approximately 65 people participated in the event. Ideas were generated on how to use the space, new activities and events, new products, and marketing platforms. A report on the input will be included with the RFP. The RFP indicates that proposals should reflect an understanding of the goals of the City and ideas generated by the community on the future of the market.

Staff propose to distribute the RFP in early November with a submittal deadline of mid-January. A selection review committee will review the proposals in February and check references of the top candidates. Presentation of a recommended candidate would be made in March with Mayor and City Council approval of the vendor in late March.

Ms. Maher reported actual expenditures for FY15 for the market were \$ 83,342.00, with revenue of \$ 32,349.00. Recent capital projects include a new HVAC system, replacement of the boiler for a steam heat system, banners, painting and floor repairs, replacement of upper roof, new signs, installation of bakery oven, and upgrades to the image per Community's City Center plan recommendations. The lower roof is anticipated to be replaced in FY 2017.

Ms. Shoop indicated many of the current vendors wish to continue to be part of the market. Potential operators should include how a transition will be made to 35 hours per week.

Ms. Frick stated in addition to the addressing the three components in the RFP, submitters will be asked to provide their minimum requirements. Other questions include whether the City would pay a management fee to the operator, what reporting schedule would be utilized, and whether 35 hours per week would be over 3 days or more. A

market manager would be expected to be on site during open hours. The successful submitter would be responsible for negotiating and developing agreements with vendors and ensuring the fees are paid. The City would provide maintenance for the building.

Councilmember Brubaker asked if the management fee would be paid by the successful bidder.

Councilmember Aleshire does not want his comments to imply staff has done anything wrong with the market. There are a lot of vendors, many with similar products. He compared the Farmers' Market with the Pennsylvania Dutch Market at Longmeadow Shopping Center. The Dutch Market has a variety of vendors with different products from each other.

Councilmember Metzner believes this proposal will cost more than the \$ 50,000 currently allocated for the Farmers' Market. There is a long history behind the Farmers' Market. Submitted proposals should indicate how the proposed bidder would improve the market. He does not think the operators of the Dutch Market would be successful at the Farmers' Market location.

Mayor Gysberts stated a bidder would not be asked to use the same model. The City would be asking them how their proposal will promote the market and increase participation.

Councilmember Brubaker would rather have the bidder indicate what they would charge.

Councilmember Metzner stated the City has to decide if they are going to subsidize the market or is it expected to be self-supporting.

Ms. Means pointed out as long as the City provides maintenance services, it is being subsidized by the City.

Councilmember Metzner stated the RFP is thorough and he wonders how many people will submit a proposal based on the detailed requirements.

Councilmember Aleshire also thinks the request needs to be open and flexible so more interest is generated.

Councilmember Metzner stated he does not think management is the problem with low interest at the market. He believes it does not address the needs of people like it used to. He wondered if vendors would be interested in locating at the Farmers' Market if the rent was waived.

Mayor Gysberts pointed out having quality vendors would help attract other quality vendors.

Ms. Means stated staff is looking for guidance from the Mayor and City Council on the list of minimum requirements. This will provide a base for comparison of the submitted RFPs.

Councilmember Brubaker wants the market to be successful. He is not asking for a revenue sharing plan.

Ms. Maher offered to include a statement indicating there is no lease fee for vendors in the RFP.

Councilmember Nigh stated most patrons are from the community. Vendors will have to be receptive to accepting food stamps.

Councilmember Metzner stated there have been repeated discussions about the amount of public housing in Hagerstown. Instead of complaining about it, the City should find a way to alleviate it. Having public transportation between public housing buildings and the market would make things easier for everyone.

Mayor Gysberts summarized the discussion that the RFP will be as flexible as possible for effective management of the market. The subsidy will not be removed right away. The RFP, with the points discussed this evening incorporated into it, will be released as scheduled.

Action Report: Update on Implementation of the Community's City Center Plan

Jill Frick, Director of Community and Economic Development, and Kathleen Maher, Director of Planning and Code Administration, presented the Action Report on the community's progress in implementation of the Community's City Center Plan.

Work has been progressing on several of the catalyst projects identified in the Community's City Center Plan. The first phase of Student Housing was completed since the last update, and the trail project has been steadily evolving. The Maryland Theatre completed their replacement seat and HVAC project. The Main Street work groups are planning new events and projects. The enhancements to the neighborhood protection program are in place. Two properties were acquired in one of the targeted home-ownership support neighborhoods for future home-ownership opportunities. An RFP has been drafted for a market operator of the Farmers' Market. The City and Bowman Development are in the exploratory phase on the Class A Office Building project.

The Action Report has been distributed to businesses and community stakeholders through email, and is also available on the City's website at www.HagerstownMD.org/CityCenterPlan.

The Action Report included the following information about how the community is moving forward:

1. Catalyst Project #1 – Office Development and Recruitment
Goals: To position downtown to compete for new office development using portions of Central Parking Lot to build 154,000 sf across three buildings.

Actions: Developed concept renderings, received concept support from M & T Bank, search for developer/partner – RFQ posted in December, 2014 with March 2, 2015 submittal deadline, submission received from Bowman Development
2. Catalyst Project #2 – Maryland Theatre Expansion Project
Goals: Expand and improve the facility, and grow from 150 to 225 performance days per year, increasing the audience by 60,000 annually.

Actions: New seating project complete, new HVAC units installed, back-of-house facility improvements in process, ticketing – available through Ticketmaster, fully functional and a big improvement
3. Catalyst Project #3 – USMH Expansion Support
Goals: Support USMH growth from 500 to 750 students through the addition of new program offerings, and capture student housing opportunities with three upper-floor renovation projects. The three upper-floor renovation projects are planned to be implemented separately, in sequence to each other and throughout the 10 year plan.

Actions: Completed Phase I Student Housing Project – 4 two-bedroom, two-bathroom apartments, apartments are leased to five students with space available for three more students.

Next Steps: New program offerings at USMH – Hospitality Management, Nurse Practitioners Program, and Physician’s Assistant program; Student Housing Project – next phases to coincide with new program offerings
4. Catalyst Project #4 – Hotel/Conference Center and Heritage Center/Commemorative Park
Goals: Construct 200-room “Upper Upscale” hotel (i.e.: Sheraton, Wyndham, Hilton). Programmed with adjacent 20,000 square-foot conference center. Establish Civil War Heritage Center and Commemorative Park

Actions: Exploratory conversations to date. Project is much more long-term in nature.
5. Catalyst Project #5 - Linking City Park/The Washington County Museum of Fine Arts and A&E District with Trail and New Housing

Goals: Construct multi-use trail linking City Park/WCMFA with the Arts & Entertainment District, and add 31 new townhomes along trail and rehab buildings to create 85 loft apartments (in 10 years).

Actions: Funding plan approved by City Council, Public Input – charrett in October, Design – field surveys and final concept is complete, Property Acquisition – negotiating with property owners; easement plats in progress, branding and signs- under development by graphics firm, Art along the Trail – issued an RFP and awarded contract for an Art consultant, Construction drawings – in-house construction drawings in progress

6. Catalyst Project #6 – Expanded Downtown Arts/Events Programming

Goals: Leverage resources to produce more frequent events and build upon atmosphere created by popular downtown events.

Actions: New Pop-Up Shop Events, Sounds of the Square Program, Wind Down Fridays, St. Patrick’s Day Run, Main Street Designation – currently more than 50 volunteers are supporting Main Street Hagerstown through five work groups, Engine Room Art Space opened Summer 2015, Downtown Summer Slide Festival held on August 29, 2015, Second Saturday Series

7. Catalyst Project #7 – Expanded Operations of the City Farmer’s Market

Goals: Expand operations from 7 to 35 hours per week. Implement private management approach. Make necessary capital improvements. Re-brand. Recruit additional tenants.

Actions: Vendors briefed on the Community’s City Center Plan, initial adjustments being made to the space and vendor locations to allow for inclusion of new vendors, RFP for Private Management, public input meeting on August 8, 2015

8. Catalyst Project #8 – Expanded and Targeted Home Ownership Support

Goals: Market home ownership incentives and support Neighborhood 1st programs. Establish annual rental licensing inspections, and continue excessive nuisance enforcement programs.

Actions: Adopted amendments to require annual exterior inspections of rental properties, adopted amendments to Vacant Structures Program, authorized the addition of five full-time Code Administration staff for the vacant structures program to help improve the quality of life in the neighborhoods, property acquisition analysis underway, awarded \$ 100,000 Community Legacy grant for Home-Ownership Program, Vacant Structures Registration – 719 blighted and non-blighted vacant properties identified, acquired two properties in the S. Prospect Street historic district for the Home-ownership Program, City Center Residency Initiative – seven homes purchased with down payment assistance

and 13 residents renting with rental payment assistance since December 2013

Ms. Frick pointed out the existence of a downtown plan and communicating a 10 year vision are important steps in growing investor confidence.

CITY ADMINISTRATOR'S COMMENTS

Valerie Means, City Administrator thanked everyone involved in the success of the annual Alsatia Mummer's Parade.

MAYOR AND COUNCIL COMMENTS

Councilmember D. F. Munson pointed out that demolition of two buildings on the Massey Property on Baltimore Street is nearly complete. The removal of the buildings has been a priority of this Mayor and City Council. This is happening because the Mayor and City Council and the Washington County Commissioners have worked together. Removal of the dilapidated buildings will improve the neighborhood and will increase the tax base. The partnership with the County could be a model for how an academic hub could be created downtown. He hopes the Commissioners reconsider the academic hub support.

Councilmember L. C. Metzner wondered why there is no flag on the communication tower at Fairgrounds Park. He understood that part of the agreement is that the owners of the tower maintain a flag on the tower.

Councilmember P. M. Nigh has been told the flag tangles in the rope on the communication tower. She thanked County Administrator Greg Murray for his efforts with getting the Massey property situation resolved. She believes his interest in downtown Hagerstown is phenomenal. She asked how many vacant structures are registered in the recently adopted program. She asked if there is an accurate count of how many homeless people are in Hagerstown. She knows they come to Hagerstown for the services that are available. Mayor Gysberts indicated the number of people changes often but there are counts for specific times. Councilmember Nigh is concerned there are many more homeless people here than before.

Councilmember K. B. Aleshire thinks it would be appropriate for the Mayor and City Council to send a formal letter to the County Commissioners and the Board of Education indicating the City's support, including financial support, for an academic hub. If there is not interest in an academic hub, the City needs to know. He asked staff to look at the placement of the Yield sign coming from Walnut Street into the circle at City Park. He can't imagine living next to a property that has been vacant for 30 years.

Councilmember Aleshire stated a REACH shelter client made threats against the library recently and a person from Wells House was involved in a stabbing at University Plaza. These incidents reiterate that the non-profit groups providing social services need

to be held accountable for the safety of citizens. The multiple services being provided by a combination of the non-profit groups are contributing to the degradation of the community. This is no different than other actions the Mayor and City Council take to improve the neighborhoods and the City. He thanked the employees who worked after the Mummers Parade to take down signs and clean up trash.

Councilmember P. M. Nigh thinks the striping at the circle is overwhelming. The condition of the stucco house on Franklin Street is getting worse and needs to be addressed. It is as bad as the buildings on the Massey property. She thanked Fire Chief Lohr for having fire trucks at Neighborhoods 1st meetings so citizens get to know the firefighters.

Councilmember M. E. Brubaker thinks the circle at City Park is much better. He attended the MML Fall Conference. The gap in foreclosure regulations was the topic of one workshop. He thinks the City should consider taking the lead with legislation to address the gap. Other workshops included discussions of double taxation and police worn body cameras. He thanked everyone involved with the successful Mummer's parade.

Mayor D. S. Gysberts also thanked staff for their efforts with the Mummer's Parade. Other events held the same day included the Dog Howloween Parade and the Spooky Sprint. He encouraged people to join the Alsatia Club. He thanked the Maryland Municipal League for awarding the Sustainable Communities Award to the City of Hagerstown. Copy Quik has created decals in support of the Hagerstown Police Department. They will be distributing the decals throughout the community.

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 6:59 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: December 15, 2015