

WORK SESSION - March 15, 2016

Mayor D. S. Gysberts called this Work Session of the Mayor and Council to order at 4:00 p.m., Tuesday, March 15, 2016, 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, and City Administrator Valerie Means.

Preliminary Agenda Review

**Appointments – Hagerstown Cultural Trail – Artist Selection Committee**

Rodney Tissue, City Engineer, reported staff recommends the following people to serve on the Artist Selection Committee for the Hagerstown Cultural Trail:

1. Mary Ann Burke, Executive Director of the Washington County Arts Council
2. Rebecca Massie Lane, Washington County Museum of Fine Arts
3. Aaron Peteranecz, Local architect and Main Street group leader
4. Lesley Whalley, Founding committee member of Downtown Movement and artist

Other members may be added in the future, but these folks, along with William Cochran (City's art consultant) will make a good team to start.

It was the general consensus to include approval of the appointments on the March 22, 2016 agenda.

**Consent Agenda**

- A. Police Department: Predictive Policing Software Subscription – PredPol, Inc. (Santa Cruz, California) \$ 15,000.00
- B. Utilities:
  1. Manhole Risers – East Jordan Iron Works (Finksburg, MD) \$ 24,938.48

**Approval of Resolutions: 2016 Summer Play Camps for Hagerstown YMCA, Girls, Inc., and Robert W. Johnson Community Center**

Rodney Tissue, City Engineer, stated the City has hired local agencies to provide recreation services for children of the community by providing summer play camps, for at least the past 20 years. The total amount requested (\$ 72,943.00) is basically the same as last year (although the YMCA decreased their request). The City attempts to assist the camp programs by encouraging them to use the Potterfield Pool. A bicycle safety class is organized for all of them.

Funding for the camps is provided in the operating budget of the Recreation Division of the Parks and Engineering Department. In the FY16 budget and the proposed FY17 budget, \$ 75,000 is earmarked for camps. Second only to the Ice Rink utilities, this is a significant part of the Recreation budget and this program represents about 24% of all recreation dollars spent by the City.

Approval of the resolutions for the play camps will be included on the March 22, 2016 agenda.

**Approval of a Memorandum of Understanding (MOU): Maryland Bikeways Grant**

Rodney Tissue, City Engineer, reported that the City received a \$ 90,000 grant from the Maryland Department of Transportation (MDOT) for continued bicycling-related improvements in the City. The grant has no financial match.

The Bicycle Advisory Committee recommended spending the grant funds on the following (and MDOT approved the list):

1. \$ 50,000 – Final design of the Marsh Run Trail
2. \$ 8,000 – Bike box and bike detection on westbound Prospect Avenue and Pennsylvania Avenue
3. \$ 8,000 - Bike box and bike detection on southbound Oak Hill Avenue at Northern Avenue
4. \$ 23,000 – Hub City Bike Loop wayfarer pavement markings
5. \$ 1,000 – Bike rack, storm drain grate replacement and/or May Bike Month promotions

Mr. Tissue also noted that since CSX have given the City a “green light” staff can continue the design of the Marsh Run Trail and the bulk of the funds will be used for that effort.

It was the general consensus to include approval of the MOU on the March 22, 2016 agenda.

**Approval of Trash and Recycling Receptacle and Container Placement Policy**

The City of Hagerstown regulates recycling and refuse collection at Chapter 117 of the City Code. It is a violation of Chapter 117 to store and set out trash and recycling containers in a manner which is contrary to what is permitted by the Code.

The City of Hagerstown recognizes that for some properties or residents, there may be special circumstances that make it infeasible or a hardship to comply with the placement conditions outlined in Chapter 117. A policy for special circumstances was reviewed that

would allow for the placement of trash and recycling receptacles and containers in alternative locations.

Approval of this policy will be scheduled for March 22, 2016, and will become effective at the same time as the City Code amendments scheduled for approval.

This completed the preliminary agenda review. All items are scheduled for approval on March 22, 2016, unless otherwise noted.

#### Offer of Long Term Loan for Display of City Hall Bell

Stephen Bockmiller, Development Review Planner/Zoning Administrator, and Linda Irvin-Craig, Executive Director of the Washington County Historical Society, were present to discuss an offer of a long term loan of the first City Hall bell.

The Washington County Historical Society owns the bell that was present in the City Hall bell tower from the 1830s until it was replaced with the bell that is currently in City Hall's tower in the late 1800s. The historical society has offered to place the bell on long term loan to the city allowing for its display, public education and enjoyment. The duration of the loan would essentially be indefinite, but would remain the property of the Historical Society. It is approximately 34 inches in diameter at the rim, and is estimated to weigh 750 pounds.

If the Mayor and City Council are interested in accepting the loan of the bell, staff have identified two places in the second floor hallway in City Hall that it could be effectively displayed. Unless heavy duty wheels are part of the base design, a location for display should be selected with the understanding that once it is installed it will rarely be moved. If the City accepts the bell for display, Mr. Bockmiller would prepare interpretive material explaining the bell. This would be mounted in a commercially-available frame for marginal cost.

Councilmember Munson asked if any thought had been given to placing the bell somewhere on the Hagerstown Cultural Trail. It was noted the bell is heavy and will be difficult to move. However, a different area could be considered.

It was the general consensus to move forward with accepting the bell and creating the display stand.

#### Appalachian Regional Commission (ARC) Funding Requests for FY 2017

Alex Rohrbaugh, Planner, reviewed staff's recommendations for FY 2017 project funding requests for the City of Hagerstown to the Appalachian Regional Commission. The County Commissioners will prioritize all requests submitted within the county and will forward the requests with their recommendations to the Tri-County Council for review and action.

This year the matching requirement is up to 50%. Federal funds cannot be used to match the ARC request and the maximum funding amount per request is \$ 500,000. Projects must meet one or more ARC program goals and State objectives.

Staff recommends that the two following projects be submitted for consideration:

1. Replenishment of First-Third Grant Program, Cost of Project \$ 500,000, ARC Request \$ 250,000, Local Match \$ 250,000
2. Phase II A Hagerstown Cultural Trail, Cost of Project \$ 170,000, ARC Request \$ 85,000, Local Match \$ 85,000
3. Phase II B Hagerstown Cultural Trail, Cost of Project \$ 250,000, ARC Request \$ 125,000, Local Match \$ 125,000

Councilmember Brubaker asked how staff determined the amounts to apply for. Ms. Means indicated that historical figures were reviewed and the amount was estimated. The City does not receive a notice of the overall distribution amount.

Councilmember Aleshire stated he feels the projects requested should be for economic development, which these are.

Mr. Tissue pointed out the two phases of the Hagerstown Cultural Trail were differentiated because one portion is the interior of the building and the other is more of what will be built in the first phase.

Funding has been set aside from the contingency specifically to cover \$ 250,000 of the matching amount.

It was the general consensus to submit the grant application and include the three projects discussed.

#### Consulting Services with GDS Associates, LLC for Wholesale Power Procurement

Michael Spiker, Director of Utilities, and Nathan Fridinger, Electric Operations Manager, were present to discuss the Wholesale Power Procurement.

The Power Services Agreement between Allegheny Energy Supply Company, LLC and the City will conclude with an expiration date of May 31, 2017. The current contract was consummated in 2005 and effective July 1, 2006. Since this time, much of the language has become obsolete with the constantly evolving PJM Interconnection tariffs, business practices and specifically, the capacity markets.

To meet the City's goal to have a new Wholesale Power Supply Contract completed before November 2016, the Hagerstown Light Department will compose and advertise a RFP, review price comparisons, and negotiate a new contract for wholesale power. With their current experiences in wholesale power procurement RFP development and the PJM

Market and Operation within the Allegheny Power Zone, GDS Associates, Inc. is recommended to assist the City in obtaining the lowest purchase power cost possible for the citizens of Hagerstown.

Staff had requested a review of pricing for an additional contract extension and was informed that changes in the operating market would not allow for a decrease in the existing MWH charges. Even though out-year pricing for energy has decreased, charges for capacity have increased to the point that they offset any energy price savings. The difference between energy and capacity involves power plans and how they are compensated because both are important to maintaining the electrical system in different ways.

Since the market changes have occurred, some of the risk that was assumed by the supplier may now fall to the HLD to assume. The City's contract will more than likely contain fixed charges for energy and monthly pass through charges for Capacity, Network Integration Transmission Services, Ancillary Charges, etc. These charges will be captured in the monthly Purchase Power Adjustment and included in the monthly bills. The RFP will contain requests for mid-term and long-term pricing provisions and the City will more than likely request an initial agreement for a five year term. Currently, even when factoring in all of the extraneous charges discussed above, it does not appear as though the total price package for services will see a drastic increase in the customer charges.

Upon the requested approval of GDS Associates, staff will work with Garrett Cole and Erin Shealy of GDS in addition to the FERC legal counsel Tom Rudebusch and City Attorney Mark Boyer in the development of the RFP.

It was the general consensus to include approval of the engineering, consultation, and RFP development for a wholesale power supply contract with GDS Associates, Inc. on the March 22, 2016 agenda.

#### Update on City Center Broadband Initiative

Scott Nicewarner, Director of Information Technology and Support Services, provided an update on the Broadband Initiative for the City Center.

Antietam Cable's gigabit placement project is moving along nicely. Mr. Nicewarner attended the Day in Annapolis in January and many people from Washington County were very interested in details about this service. Fiber build-out both at the head-end location on Willow Circle and the fiber run progress into City Center.

Antietam Cable has progressed with laying the backbone service of fiber. By the end of April, 2016, a majority to this work will be completed. Pilot locations will then be established. One of the pilot sites could be the Buro Box on W. Washington Street. If there is enough interest, additional expansion will begin in 2017.

When the network is complete, the Communications Group will provide education to local businesses and residents on the benefits of high-speed broadband. It was agreed this service will have a positive influence on Hagerstown.

Sale of 278 S. Prospect Street for Homeownership

Jonathan Kerns, Community Development Manager, was present to discuss the sale of 278 S. Prospect Street for Homeownership.

In May of 2015, the Mayor and City Council approved an ordinance to acquire the property located at 278 S. Prospect street for the City's Homeownership Program (Catalytic Project #8). The property was purchased from the Maryland Department of Housing and Community Development for \$ 72,000 and the purchase was fully funded by State Community Legacy Grant funds.

The City took ownership of the property in July of 2015 and the property was advertised for sale through the Competitive Negotiated Sale (CNS) process. As a Homeownership Program property, it must be resold to an owner occupant who will utilize the property as their principal residence for five years.

Since the property purchase was funded with State Community Legacy funds, no income restrictions are required for the subsequent homeowner. The property has been offered for sale in "as is" condition.

Applications for CNS properties are accepted and reviewed on a monthly or as needed basis by a staff review committee. Two applications to purchase 278 S. Prospect Street (both offering an identical purchase price of \$ 75,000) were received and reviewed by the staff committee. The first offer was reviewed and was to be recommended for Mayor and City Council approval in January, 2016. Prior to submitting this application to the Mayor and City Council, a second application to purchase the property was received. The CNS staff review committee postponed submission of the first application to the Mayor and City Council in order to review the second application.

Each applicant has proposed an identical purchase price and the required property use as a principal residence is the same for all applicants. The staff committee recommends moving forward with Applicant 1 (Zielinski) as they submitted the first application and had already obtained staff committee approval prior to the receipt of the second application.

Mayor Gysberts stated it is anticipated that the revenue from the sale of this house will be used to fund other housing related programs.

It was the general consensus to include the sale of 278 S. Prospect Street on the March 22, 2016 agenda.

New Residential Leases for 36-40 N. Potomac Street – Unit 2 and Unit 3

Jonathan Kerns, Community Development Manager, was present to discuss two proposed lease agreements for new artist tenants Clayton Layman and Ian Jobe at 36-40 N. Potomac Street. With approval of the lease agreements, the Studios on NoPo Artists Apartments will be fully occupied.

Key terms and conditions of the proposed leases include:

Unit 2:

1. Recommended Artist – Clayton Layman
2. One year term
3. Lease is for \$ 6,000 annually (\$ 500 monthly) for approximately 800 square feet
4. Tenant shall contribute at least 5 hours of time weekly assisting in the operation of the Engine Room Art Gallery

Unit 3:

1. Recommended Artist – Ian Jobe
2. One year term
3. Lease is for \$ 5,400 annually (\$ 450 monthly) for approximately 600 square feet
4. Tenant shall contribute at least 5 hours of time weekly assisting in the operation of the Engine Room Art Gallery

Each perspective tenant's artwork and experience was reviewed by the Artist Review and Selection Advisory Group. Staff have worked with each prospective tenant and City Attorney Mark Boyer to review all aspects of the proposed leases.

Councilmember Aleshire asked if this property is designated specifically for artists. Mr. Kerns indicated it is, based on the original application for federal funding. Councilmember Aleshire inquired if the City is required by law to consider applicants who have subsidized rental assistance due to the fact the property was acquired with federal funding. Mr. Kerns stated it is not a requirement, however, a tenant cannot be denied consideration because they may have a subsidized source of income.

Councilmember Aleshire asked if a private property owner can deny rentals to subsidized housing. Mr. Kerns indicated those rights may be governed by local regulations and a landlord cannot discriminate based on source of income.

Valerie Means, City Administrator, pointed out fair housing laws would prohibit discrimination. These regulations are part of the process of owning rental property.

Councilmember Aleshire wondered if the City would have to reimburse the CDBG federal funding if a property is sold to a private property owner. Mr. Kerns does not have the answer readily available as housing regulations are changing.

Councilmember Munson noted the location of the artist housing is where the Engine Room art gallery is located. The exhibits are excellent and bring people downtown.

Mayor Gysberts pointed out the City is trying to lead by example. He mentioned that one property owner is renovating several residential units and using the amenities included in the student housing units.

### Housing Summit Update

Mayor Gysberts reported the agenda for the housing summit is being finalized. The goal of the summit is to bring service providers, realtors, bankers, and any person or group that deals with housing, together. Information will be shared so that everyone knows what other organizations provide. The group will also be looking at best practices from other communities. Topics will include but not be limited to homelessness, subsidized housing, and market rate housing. A goal is to have a balanced approach toward a shared vision. This is just the beginning of the process to address housing issues in Hagerstown. About 100 people are being invited to attend the summit and to provide information. The planning group is looking at potential key note speakers to make the summit meaningful. A speaker may cost \$ 1,000 to \$ 2,000. Funding sources and grants will be pursued. Mayor Gysberts is considering asking the Alexander Foundation for funding assistance.

Jonathan Kerns, Community Development Manager, noted the group wanted to make the Council aware of the possibility of sponsorships and grants.

Mayor Gysberts stated the summit will focus on housing and neighborhoods. It is not specifically a homeless summit. The summit is about housing in general and neighborhood revitalization and how to achieve it.

The Housing Summit will be held on Tuesday, June 21, 2016 at the Washington County Free Library.

Councilmember Brubaker stated it is important to review the particular situation in Hagerstown and discuss ways to address the issues.

Councilmember Aleshire does not want the summit to be a day of people being talked to. He wants it to be a frank discussion among the partners in the community.

Mayor Gysberts noted one of the Catalyst Projects identified by Urban Partners is Neighborhood Improvement. The information will include a discussion of what

assistance is available for residents to improve the housing stock. He hopes the outcome will be an action strategy.

Councilmember Aleshire hopes the day includes discussion of the multiple degrees of housing – including public housing, sheltering services, subsidized housing, and vacant properties. These issues should be a significant factor in the conversation.

Councilmember Brubaker stated a higher percentage of homeownership should be a focus as well.

Mayor Gysberts stated the cure to housing issues is not to displace poor people. The cure is to create conditions in neighborhoods that make people want to invest in the neighborhoods.

Councilmember Nigh stated one of the biggest problems in subsidized housing. She is concerned that service organizations continue to advertise Hagerstown is the place to be for social services.

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

*Valerie Means, City Administrator* had no additional comments.

#### **MAYOR AND COUNCIL COMMENTS**

*Councilmember L. C. Metzner* stated the St. Patrick's Day run was a success. He toured the Barbara Ingram School for the Arts (BISFA) recently. It is impressive that BISFA students excel academically as well as artistically. An academic hub is needed downtown. He is hopeful the County Commissioners and Board of Education are now working together toward this goal. He said a rebranding of the A & E District as the Arts and Education District, as Councilmember Aleshire has repeatedly said, would be positive.

*Councilmember P. M. Nigh* was upset at the meeting last week. She stated the link with Wesel, Germany is because of the City's heritage. She provided information to the Mayor for review.

Mayor Gysberts agreed the Sister City affiliation with Wesel is in part due to the heritage.

Councilmember Nigh attended the St. Patrick's Day Run and the ARC Walk.

*Councilmember D. F. Munson* and others attended the ribbon cutting ceremony at the new Senior Citizen Center earlier today. He pointed out that this center is a great example of the City and County working together.

*Councilmember K. B. Aleshire* attended the County Economic Development Commission meeting, where several new farmers markets are being considered in the County. He thinks a conversation needs to be held about the future of farmers markets. He walked recently on Potomac Street and noted several areas where trash was piled up, people sleeping on steps, broken soda machines, people yelling, and loud music. These things detract from the good things that are happening in downtown.

Councilmember Nigh suggested that offering a tenant a reduce rental rate in exchange for cleaning up around the residences would make a difference.

*Councilmember M. E. Brubaker* spoke of the top down approach to dealing with this issue. Other cities have the same type of issues. The difference is that other cities have more people in their downtown areas. The broadband service will be an improvement.

*Mayor D. S. Gysberts* was unable to attend the St. Patrick's Day run but understands the changes to the event were successful. He testified in Annapolis on the Bond Bill for the Robert W. Johnson Center. He toured First Data today. They are implementing initiatives to highlight diversity within their organization. He congratulated the Commission on Aging and the County Commissioners for their work with the new Senior Citizens Center.

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 5:48 p.m.

Respectfully submitted,

*Original signed by D. K. Spickler*

Donna K. Spickler  
City Clerk  
(From the video)

Approved: April 19, 2016