

WORK SESSION AND EXECUTIVE SESSION – May 6, 2014

WORK SESSION – May 6, 2014

Mayor D. S. Gysberts called this Work Session and Executive Session of the Mayor and City Council to order at 4:39 p.m., Tuesday, May 6, 2014, 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 Bruce Zimmerman, and City Clerk D. K. Spickler.

Proclamation – National Bike Month and Bike to Work Week

Mayor Gysberts read a proclamation naming May as National Bike Month and Bike to Work Week. Dick Cushwa and Joyce Martin, members of the Bicycle Advisory Committee, accepted the proclamation. The Hagerstown community is supportive of bicyclists. Bicycle routes and events have been promoted and have been well attended.

Proclamation – Deaf Awareness Month

Mayor Gysberts presented a proclamation to Matthew Bible and Dennis Gladhill in recognition of May as Deaf Awareness Month. Wendy Smith served as the interpreter for the presentation.

Proclamation – Washington County Teen Pregnancy Prevention Month

Mayor Gysberts read a proclamation recognizing May as Washington County Teen Pregnancy Prevention Month. Maria Johns, Executive Director, The Washington County Teen Pregnancy Prevention Coalition, and Dick Miller, President of the Board, accepted the proclamation.

Proclamation – Building Safety Month

Mayor Gysberts read a proclamation naming May as Building Safety Month. Paul Fulk, Inspection Manager, and Blaine Mowen, Chief Building Plan Reviewer, accepted the proclamation.

Proclamation – Public Service Recognition Week

Mayor Gysberts read a proclamation recognizing May 4-9, 2014 as Public Service Recognition Week. Karen Paulson, Director of Human Resources, accepted the proclamation.

Proclamation – Municipal Clerks Week

Mayor Gysberts presented a proclamation to Donna K. Spickler, City Clerk, recognizing May 4-9, 2014 as Municipal Clerks Week.

Hagerstown Neighborhood Development Partnership (HNDP) Discussion of Future Operations

Joe Marschner, President of Hagerstown Neighborhood Development Partnership (HNDP) was present to discuss operations of HNDP. Al Martin, Treasurer, and Vicki Bender, Acting Executive Director (Homestore), were also present.

Mr. Marschner reported activity since 2004 includes generating \$ 13,399,000 in development capital, financed and recorded 52 subordinate mortgages with homebuyers in the City, counseled 10,322 clients with homebuyer, landlord-tenant, fair housing and foreclosure issues, and facilitated 1,137 home purchases by certifying homebuyers for the Maryland Community Development Administration programs. HNDP has also reduced dependence upon City funding from \$ 175,000 to \$ 50,000 per year. They have increased funding from corporation foundation, State and General grants, totaling \$ 1,167,790 since 2004.

The annual contribution of \$ 50,000 from the City of Hagerstown is used solely for home store activities. Funding is not received directly from the City for HNDP. Mr. Martin reported funding is received from other area organizations for HNDP operations.

HNDP was formed from a study completed by Rocky Wade. The study suggested that significant City support be provided to start HNDP, with the intent to progressively move away from reliance on City funding. In 2008, HNDP purchased a parcel of land on Baltimore Street, with help from the Washington County Hagerstown Industrial Foundation (CHIEF), to develop market rate housing. When the real estate market declined in 2008, the contractor backed out of the project. It was suggested that this parcel be utilized for the expansion of the Washington County Free Library. This property is now part of the expansion. HNDP held the property long enough that it was usable for a positive community asset. Mr. Martin pointed out that housing on the property would have hampered the parking needs for the library. Mr. Marschner stated HNDP officials are proud of what happened with the Baltimore Street property.

Mr. Marschner stated HNDP assisted with the structure of the financing for the Barbara Ingram School for the Arts (BISFA). The Board of Education and developers used HNDP to obtain tax credits for the building. Mr. Martin stated HNDP was the non-profit conduit to receive more than \$ 1.3 million in historic tax credits from the State of Maryland.

HNDP staff prepared strategies to address foreclosures in both the City and County and developed a Neighborhood Stabilization Program. Funds were secured for the Washington County Commuter Transit Center, housing acquisition and related housing counseling.

Mr. Marschner stated HNDP had been receiving \$ 25,000 from the City for the fair housing programs and \$ 50,000 from the City's Community Development Block Grant. Since 2010, they have operated successfully with reduced assistance from the City of \$ 50,000. They are comfortable with the progress they've made to reduce the dependency on funding through the City.

Mr. Marschner indicated \$ 24,500 in City funding is used for down payment assistance for homeowners. The funding is provided directly to the recipients and is not part of the HNDP operations. Mr. Zimmerman pointed out that the City of Hagerstown provides office space and IT services for the Hagerstown HomeStore as well.

Mayor Gysberts asked how HNDP adjusted to reduced funding. Mr. Martin indicated staff has been reduced. The former director was working on special projects and grants. When she resigned, a decision was made to not fill the position immediately and to focus on the HomeStore operations. Ms. Bender stated there are two full time employees and one part time employee. Two of the employees are housing counselors.

HNDP was hired to work with the American Institute of Architects to complete a study known as the Lee & Sycamore Street study to connect the south and east sides of Hagerstown to downtown. They were also hired to complete the Washington County Hospital Re-Use study. The Re-Use study determined that townhouse market rate housing was the highest and best use of the property at that time. The study was provided to Washington County Hospital. There was community input for locating a park on the property as well.

Councilmember Aleshire stated the studies can be discussed but neither the City nor HNDP owns the property and would not be making decisions about its re-use.

Councilmember Brubaker thanked the group for the information provided. He is concerned about the future of HNDP and its activities. HNDP was created to do things like the Baltimore Street housing and to bring people into Hagerstown. The City has tried to accommodate HNDP with the housing programs as much as possible. It was a public/private partnership that did not work out. There have been very few projects of this nature. He does not have the same view of HNDP's role with BISFA as presented. He wondered if HNDP anticipates restoring operations to the original mission.

Mr. Marschner stated for HNDP to act as a developer, there would have to be adequate capital provided. He stated they have not lost sight of the original mission, they don't have the capital to complete the mission. The only capital funding was what was provided for the Baltimore Street project.

Councilmember Aleshire summarized that whether a project involves the Hamilton Hotel or the hospital, HNDP does not have the funding that is required to be a partner.

Mr. Marschner stated HNDP and the HomeStore is available to assist the City with providing a conduit for funding and tax credits when a non-profit recipient is required.

He is not sure HNBP wants to hold land for a number of years in the future. Mr. Martin stated they have not looked for a new director partly because they want to be available to provide assistance to the City, if needed. HNBP does not have the ability to raise revenue. They would like to have an agreement with the City that would allow them to take on a housing counseling role. Mr. Martin stated HNBP could serve as a pass through agency if the downtown vision is to acquire property. If they still receive funding, they have some flexibility for the services provided.

Mayor Gysberts is concerned about the history of HNBP during the last 10 years. He wondered if other organizations could serve as a pass through agency. He believes HNBP has vision creep, in that the goal originally was to provide “bricks and mortar” projects. The operations of the HomeStore are important but he wonders how that helps HNBP accomplish the established goals.

Councilmember Nigh stated HNBP is an excellent board and they are trying to respond to the City’s needs.

Councilmember Brubaker stated if they have a project in mind, it could be discussed. There are other sources for encouraging growth. He does not think HNBP should be eliminated because the City may need their services; however, he is not willing to turn downtown development over to this organization.

Councilmember Aleshire stated HNBP was started as a capital venture. He realizes and understands there are sensitivities between the parties. Mr. Martin stated, as an organization, HNBP. The HomeStore wants to be available to assist the City.

Councilmember Munson stated there are some modest things that could be done downtown that would make improvements. He thinks there is a goal that can be met.

Addressing Drug Use and Treatment in the Community

Chief Mark Holtzman and Sheriff Doug Mullendore discussed drug use throughout Washington County.

Chief Holtzman reported there have been 8 confirmed deaths from heroine overdoses within the City limits since the beginning of the year. Heroine use is increasing and this is taxing police resources with investigations. This is a major issue for local police jurisdictions. With the increased investigation and focus, officers are noticing some positive results.

Sheriff Mullendore stated the problem is not only the drug. In order to sustain the habit, users are committing crimes. If the impact of crime in the community is to be reduced, the drug problem must be addressed. One concept to address the problem would be a day reporting center that would treat individuals who have chronic addictions. Another alternative is a holistic approach, which would be an alternative to incarceration and would allow a judge to sentence the individual to a home detention program. Testing

would occur on a daily basis. Franklin County, Pennsylvania, has operated a successful home detention program since 2006. Sheriff Mullendore indicated the County Commissioners have not been able to identify a funding source to support a program in Washington County. He indicated there may be grant funds available.

Mayor Gysberts inquired about the cost of the program. Sheriff Mullendore stated the cost per day in a day reporting program is significantly less than the cost per day for incarceration.

Councilmember Metzner stated he and other members of the criminal justice system believe a day reporting center is the best way to treat the heroine problem. He stated almost every burglary is based on the individual's drug addiction. He stated a day reporting center is appropriate and the Commissioners should be encouraged to support a center.

Councilmember Nigh wondered if increasing the officers on the Washington County Task Force would help with the drug problems. Sheriff Mullendore stated the Task Force uses a regional approach to deal with the issue. The problem is so widespread that it sometimes takes a considerable amount of time to sort through information received. If more people are incarcerated for illegal drug use, the size of jails will have to be increased. This would also add other costs.

Councilmember Metzner pointed out that sentences in Washington County for minor crimes seems excessive while others are too lenient.

Sheriff Mullendore indicated the proposed location for a day reporting center is the former Phoenix Color building.

Councilmember Aleshire asked if the reason there is inadequate rehabilitation space available is because there are so many people from out of the area seeking services. Sheriff Mullendore indicated these are the people committing crimes in Washington County. Councilmember Aleshire wondered how many people return to their home community after they are treated in Washington County. He is concerned that only 40% of participants are able to stay off the drugs.

Councilmember Aleshire stated how this issue impacts the core of this community should be discussed.

Sheriff Mullendore indicated a facility for 50 people would cost \$ 1.4 million to start. State and local officials agree it is a good concept, but funding is not available. The drug problem is here and needs to be addressed for the good of the community.

Mayor Gysberts thanked Chief Holtzman and Sheriff Mullendore for discussing this important issue. The City supports exploring a day reporting center.

Criteria and Selection Process – Honor Wall Memorial Park

Rodney Tissue, City Engineer, reported with the development of Phase II of Memorial Park this summer, the Remembrance Plaza will be created. The Plaza includes an Honor Wall to recognize citizens. A process and criteria need to be established for recognizing people on the Honor Wall.

The plan is to honor eight inductees the first year, and typically two new honorees each year after that, possibly around Memorial Day. More than two could be added in any given year provided that funding is made available to provide additional plaques (about \$ 650 each).

A draft Standards for Induction were presented for the Mayor and Council's review. The standards are intentionally set very high so that only the true "cream of the crop" of citizens will be honored, given the limited number of plaques that can ultimately be installed (32 total). General requirements are that the candidate have been deceased for a period of at least 20 years, for the purpose of ensuring the person's notoriety and contributions have withstood the test of time. The Candidate shall have lived in Hagerstown, owned a business in the City, or made major contributions to the City in their lifetime.

Categories for consideration include:

1. Elected or Appointed Official and Officers of the Judiciary
2. Civil Rights, Faith Community, Education and Science
3. Literary, the Arts and Sports
4. Military
5. Business and Industry

There would be nothing prohibiting the City from adjusting the standards, but staff would advise that to protect the integrity of the honor, adjustments be considered rarely, if ever, and for good and valid reasons such as adding an area of accomplishment overlooked in the initially adopted criteria.

The plaques will be bronze with raised letters, and will contain an image of the honoree, if one exists. Staff suggests uniform use of the City Seal in place of a portrait when none is available.

Staff proposes that a review committee, appointed by Mayor and Council, be three persons that are from the Washington County Historical Society, local historians, authors, or history teachers. Mr. Tissue suggested that Steve Bockmiller, Zoning Administrator, serve as secretary to this committee. For selection, the review committee would make recommendations to the Mayor and Council, who would annually decide on the inductees.

Both Councilmember Metzner and Councilmember Munson have suggested that Thomas Kennedy be included on the Wall of Honor. Councilmember Brubaker stated

Jonathan Hager should be included, in a place of prominence. Councilmember Nigh stated Elizabeth Hager should be included as well.

Recommendations for members of the Review Committee will be discussed later in May.

Councilmember Munson asked if individual statues of people will be included in Memorial Park. Phase III of the Memorial Park project includes the concept to possibly include a statue.

Councilmember Brubaker thinks future plans should include more plaque space.

It was the general consensus of the Mayor and City Council to support the Standards for Induction.

Maryland Bikeways Grant

Rodney Tissue, City Engineer, presented a proposal for the use of the funding provided to the City of Hagerstown from the FY 14 Bikeways Grant program.

The proposal is based on direction from the Mayor and Council-appointed Bicycling Advisory Committee (BAC). Of the \$ 70,000 grant, \$ 60,000 will be spent on striping and signage of bike lanes and shared-lane use markings called “sharrows”. The improvements have been designed based on State Highway Administration (SHA) and MUTCD criteria and staff and the BAC recommend the following improvements:

1. Pennsylvania Avenue – Southbound bike lane and northbound sharrows from Prospect Avenue north to the City limits.
2. South Walnut Street – Bike lanes (both directions) from Park Circle to Antietam Street.
3. Maryland Avenue – Bike lanes (both directions) from south of Wilson Boulevard to Memorial Boulevard.
4. Wesel Boulevard – marking of “bike route” on shoulders from Burhans Boulevard to the City limits and sharrows on Burhans and Elgin Boulevards from Wesel Boulevard to the SHA-designated bike route of West Washington Street.
5. Summit Avenue – Sharrows between Memorial Boulevard and Wilson Boulevard.

If the Council concurs, staff will submit engineering plans to the Maryland Department of Transportation for review and ultimately their approval of the designs. Adjoining residents would be notified prior to the start of any work.

With the concurrence of the BAC, staff is also working on a FY15 Bikeways Grant application for the design of the “Marsh Run trail”, parallel to Memorial Boulevard. Specifically, staff are seeking 100% funded grant funds to design the crossing with CSX railroad near the Public Works office. Staff believe that this trail, (which has been

discussed for decades and connects City Park to Municipal Stadium) may finally be achievable because credits from the rail line street crossing closures in the south end can be used to receive CSX approval for a new crossing for this trail.

Councilmember Metzner wondered if there would be monetary value for any of the credits. He stated an exchange would not be made for free.

Councilmember Munson mentioned that he noticed bike lanes are being used as standing places for some taxis. Councilmember Nigh stated other vehicles are also using the bike lanes for stopping.

Councilmember Aleshire wondered why Burhans Boulevard is not included in the list. Councilmember Metzner noted Burhans Boulevard is not a bicycle friendly route and the City is not encouraging people to ride there. Councilmember Aleshire would like to make it more bicycle friendly since it is a main route from the west end to the south end of Hagerstown.

It was the general consensus to support the proposal and application to CSX for the plan.

Mayor and Council FY15 Budget Review

Michelle Hepburn, Director of Finance, was present to continue discussion of the FY 15 Proposed Budget.

Councilmember Brubaker met with staff to discuss ways to deal with the lower tax assessments and get through the next three years with decreased revenue. He is looking for ways to balance the budget in future years. The FY15 proposed budget is balanced but future years are not. Tax revenue will remain the same if the tax rate is increased by 7 cents. He doesn't want to raise taxes each year. One idea is to increase revenue with a tax rate in FY15 significantly enough to carry the budget for three years. He wants to do what is best for Hagerstown citizens. A tax increase is necessary and it will keep the City strong and financially stable. This is a very difficult economic time. He is supportive of keeping services level but not at the expense of departments or employees. He will continue working with staff on a proposal.

Mayor Gysberts pointed out the City Administrator's proposed budget addresses increased costs and decreased revenue.

Councilmember Aleshire presented his ideas for reducing costs. The listing does not include thoughts for Section 3 and Section 9, as he has not reviewed those yet. Benefit related costs are projected to increase. Benefits have a more significant long term impact than wages. He is concerned about the years beyond the three year assessment. His proposal of increased revenue and decreased expenses could reduce the needed tax revenue by 6 cents on the rate. He suggested spending down the amounts in the Upper Floors program, which seems redundant relative to other economic development

accounts. The Excise Tax fund should also be spent down. Both these amounts could be used to cover other expenses.

Ms. Hepburn clarified that the amounts would be reflected as revenue and placed in the general fund. Councilmember Aleshire indicated his listing shows it this way.

Councilmember Aleshire stated he did not include a transfer from the utility funds. He stated he didn't see the new lease with the Suns reflected in the proposed budget. He would eliminate agency funding, except for the Maryland Theatre. He wondered if this is the appropriate time to expand existing events and add new ones, as proposed in the budget. He realizes all of his ideas may not be feasible. He is concerned as well that the 7 cent tax rate increase will not address future years. There are things in the out years that are not included, such as a green street program. He stated an 8 cent tax rate increase would put the City in a better position for next year. He stated he is a big proponent for a third parking deck. He thinks planning and design of the deck should be included in the FY15 budget, rather than in FY16. To him, the deck would clearly be a County oriented deck. He wondered if the County would be willing to assist in funding for the deck. He wondered if the City of Hagerstown will be funding the full amount for fire vehicles.

Councilmember Brubaker stated some projects may have to be moved to future years in the hope that revenue sources increase.

The Greenstreet Program is a stormwater initiative. Councilmember Brubaker clarified that Councilmember Aleshire's thought is to use \$250,000 of the reserve for the Greenstreet program.

Ms. Hepburn indicated the Build America bond program had intended to reimburse municipalities a certain portion of interest fees, originally up to 35%. Typically, the reimbursement has been between 7% and 9%. The reimbursement could be eliminated at any time by the Federal government, with little notice.

Councilmember Metzner is concerned the Council does not have a solid proposal to present to citizens prior to the Public Hearing that is scheduled for May 13, 2014. He thinks it is time to discuss funding for agencies. There have been good discussions, however, he thinks the Council should have a plan for what the tax increase will be.

Councilmember Brubaker wants to hear from citizens before making additional adjustments.

Mayor Gysberts the Council can still make adjustments to the budget after it is introduced and before it is approved, if they wish.

It was agreed that a Work Session would be held on Monday, May 19, 2014 at 4:00 p.m. to discuss the budget.

Mayor Gysberts thanked Councilmember Aleshire and Councilmember Brubaker for their analysis of the budget.

CITY ADMINISTRATOR'S COMMENTS

Bruce Zimmerman, City Administrator, had no additional comments.

MAYOR AND COUNCIL COMMENTS

Councilmember P. M. Nigh thanked Councilmember Aleshire and Councilmember Brubaker for their budget review.

Councilmember L. C. Metzner agreed. He stated Councilmember Aleshire and Councilmember Brubaker bring financial strengths to the Council. He commended Holly Shok, Herald Mail reporter, for her story on the budget last week. It was a true representation of the facts.

Councilmember D. F. Munson pointed out that Mr. Zimmerman presented a very responsible proposed budget. He thanked Councilmembers Aleshire and Brubaker for their review. He thanked Karen Giffin and staff for their efforts to make Burkett's Deli's grand opening a success.

Councilmember K. B. Aleshire stated he is concerned that public officials are less able to retain their personal lives with their personal electronic devices as technology advances. In an effort to keep his private information secure, he asked that devices be provided to elected officials to conduct public business from. Mr. Zimmerman stated staff has been researching costs for devices and will have that information soon.

Councilmember Aleshire attended the United Way's Hub Bub event with his family. He was approached to sign the petition for binding arbitration. The information he was given is completely false, i.e. the City is not acting in good faith and promises have not been kept. He is concerned that false information is being presented to citizens.

Councilmember M. E. Brubaker agreed that each Councilmember has a different expertise they bring to the table. The petition information concerns him. The City is trying to negotiate a complex contract and what is being said is not true.

Mayor D. S. Gysberts thanked staff who work hard every day. The Hub Bub event was very good. He thanked the Elks Club for their support of high school students. May Mart will be held on Thursday, May 15, 2014. The Wind Down event on May 8, 2014 will include a sub eating contest. The annual Bike Ride with the Mayor will be held on

WORK AND EXECUTIVE SESSION
6, 2014 MAYOR AND CITY COUNCIL

MAY
HAGERSTOWN, MARYLAND

Saturday, May 10, 2014. Other events include an auction at the library on May 10, 2014 and the GreenFest in Boonsboro on May 10, 2014.

There being no further to come before the Mayor and City Council, on a motion duly made, seconded and passed, the Special Session was adjourned at 7:42 p.m.

Respectfully submitted,

Donna K. Spickler
City Clerk

Approved: July 22, 2014