Mayor and City Council of Cumberland

WORK SESSION

City Hall 2nd Floor Conference Room 57 N. Liberty Street Cumberland, MD 21502

Tuesday, July 6, 2021 5:00 p.m.

PRESENT: Raymond M. Morriss, President; Council Members: Seth Bernard, Richard Cioni, and Eugene Frazier. Council Member Laurie Marchini was absent.

ALSO PRESENT: Ken Tressler, Interim City Administrator; Marjorie Woodring, City Clerk; Mike Cohen, City Solicitor; Mark Gandolfi, City Comptroller, Media

I. AGENDA REVIEW – JULY 6, 2021

Mayor Morriss reviewed the Agenda, went over the Director's Reports and Minutes up for approval, and called for any questions or comments. Being none, Mr. Tressler reviewed the Unfinished Business and New Business ordinances:

Unfinished Business:

Ordinance 3892 (2nd & 3rd Readings) - accepting bids for the purchase of eight (8) parcels of real property solicited through the 2021 Surplus Properties Round II Request for Bids and authorizing transfer of those properties to the successful bidders.

Mr. Tressler advised that there are two more properties that they are working on which have reverter clauses, and said they are not ready yet.

New Business:

Ordinance 3893 (1^{st} Reading) – accepting the bid from Robert B. Williams for the purchase of 500 Kingsley Avenue for the amount of \$300, and authorizing conveyance of the property and execution of a deed to effect the conveyance.

Mr. Tressler advised this was a previously unbid-on property that they are recommending the bid be accepted.

Mr. Tressler reviewed all items on the Consent Agenda:

Order 26,822 – authorizing the Chief of Police to enter into a Memorandum of Understanding (MOU) with the Allegany County Health Department for grant funding in the amount of \$10,000.00, to be used to conduct drug interdiction events throughout the city in hopes of reducing the illicit supply of opioids into the City

Mr. Tressler advised that Chief Ternent will be at the M&CC public meeting to talk more about this Order.

Order 26,823 – accepting the bid of American Hardwood Industries, LLC for the "Evitts Creek Water Company 2021 Watershed Timber Sale" (7-21-WFP) in the lump sum amount of \$130,555.60.

Mr. Tressler advised they were really happy with receiving over \$130K for this 2^{nd} watershed timber sale.

Order 26,824 – declaring City-owned property at 322 S. Central Avenue (Tax No. 22-00934) to be surplus and authorizing it for sale through a closed bid process after the passage of 20 (twenty) days from the date of this Order.

Order 26,825 – authorizing execution of a Loan Agreement with the Allegany Museum for the loan of the City of Cumberland Gateway to the West banner commemorating the City's Bicentennial.

Order 26,826 – declaring a 2000 Jeep Cherokee (VIN #1J4FF48S5YL217120) and two (2) MX-Pro R3 manual ambulance cots to be surplus equipment and authority them for sale or trade-in.

Mr. Tressler advised that there is no immediate plans for these items, and said they will go into the surplus holding area for the next vehicle/equipment sale.

Order 26,827 - appointing Garland Kearney, Sr., to the Housing Authority of the City of Cumberland to fill the remaining term of Robert Godfrey, to be effective July 6, 2021, through October 31, 2024.

Order 26,828 – declaring certain computer equipment and electronics to be surplus and authorizing them to be scrapped or e-cycled.

Mr. Tressler advised that this was a very long list of very old equipment, containing mostly old monitors, laptops, and desktops.

Order 26,829 – authorizing the City Comptroller to allocate the use of funding for revenue loss recovery in accordance with calculations provided by the Treasury Interim Final Rule, which governs the use of ARPA funds; and approving the allocation of \$1,224,869.64 in ARPA eligible revenue loss funding for Calendar Year 2020.

Mr. Tressler advised that Mr. Gandolfi will talk more about this in the M&CC public meeting.

Order 26,830 - lifting the provisions of Section 11-113 of the City Code, entitled "Open Containers of Alcohol," in Constitution Park from 6:00 PM until 10:30 PM on Saturday, July 31, 2021, to accommodate the "Rock N Ribs in the Park" event; notwithstanding that open glass containers shall not be permitted.

Mr. Tressler advised that this will benefit the Food Bank and the Jaycees.

Order 26,831 – extending the current Collective Bargaining Agreements with the IAFF Local #1715 and the UFCW Local #1994 retroactively from July 1, 2021 through August 31, 2021

Mr. Tressler advised that they have an agreement with UFCW that was signed today, and will be on the next Regular M&CC meeting's agenda.

Order 26,832 - authorizing the Mayor to cast a vote on behalf of the Mayor and City Council to approve the Purdue Pharma, L.P. Bankruptcy Plan.

Mr. Tressler advised that this is related to the class action bankruptcy lawsuit, and said Purdue Pharma is just one of the companies being sued. He stated that they have a \$5B plan, and said the City will get a small fraction of that. Mr. Cohen advised that for this class action lawsuit, you either vote to approve the plan, or you're not part of the settlement, and stated that it makes no sense for the City to opt out since its such a small part. He added that it will be paid over a 9-year period, and will be given to the state for them to decide how it gets parceled out, and said at the end of the day, it's not going to be a significant windfall to the City.

II. LEGISLATIVE ISSUES

Mr. Cohen reviewed the memo that was sent out the day before. He advised that last year they talked about some legislative proposals for the state to consider regarding how the City should address matters pertaining to blighted property, particularly tax sales and sheriff's sales. Mr. Cohen advised that he came up with something new when Mr. Tressler took a look at tax sales overall, which are included in his updated memorandum of 7/5/21, and discussed all:

1. Treating local government municipal infraction liens like taxes for tax sale purposes.

Mr. Cohen advised that this would directly impact property owners and works to their detriment, and said there is not a high likelihood of this passing.

2. Eliminating the 6-month wait to file tax sale foreclosures.

Mr. Cohen advised that this would lessen time at a local level, that would enable the municipality to get a jump-start on blighted properties. He stated that foreclosure could possibly be instituted immediately, when properties are vacant, and said there's no reason to wait six months where they can fall into a more dilapidated condition.

3. Tax Sale Foreclosure Zombie Titles (Properties)

Mr. Cohen stated that this is really timely and a result of his conversation with Mr. Tressler about a significant number of large investors buying tax sale properties. Mr. Cohen discussed large investors who get to the point of the final order without ever transferring deeds, and then take a look at the properties to make the final decision to acquire. He said this results in "zombie" properties sitting there abandoned with essentially no owner. He also discussed a provision in the law regarding the certificate holder not taking a deed within 90 days of the final order. He added that when properties are sitting in limbo, there should be a way for the City to step in.

4. Disqualification/debarment of problem owners from buying properties as tax sale.

Mr. Cohen advised that this has to do with slum-lords bidding on properties in bad faith with no intention to do anything with them, other than renting them out to unsuspecting renters to take advantage of them. He advised that there are a number of state-set criteria whereby bidders could be disallowed from bidding, and discussed knowing who in the area have bad reputations, and objective ways to determine how they can be excluded from acquiring new properties.

5. Section 14-811² (Properties which may be withheld from sale - unsafe or unfit for habitation)

Mr. Cohen advised the state passed this three years ago, allowing local governments to remove properties from tax sale, which he stated is not such a big deal. He advised that the certificate should be issued to the local government provided certain criteria are met.

- 6. Sheriff's sales
 - A. Adequacy of purchase price

Mr. Cohen advised that these properties can sometimes be picked up really cheaply, as no one comes to bid. He said the adequacy of the purchase price should be the basis for arguing that a sheriff's sale should not be ratified.

- B. Disqualification/debarment of bidders
- C. Good title/stripping of junior liens.

Mr. Cohen said there's no erasing of prior liens in a sheriff's sale, with the title being taken subject to all existing liens, which deters people from bidding. He advised that the idea is to have the same protocols in place regarding the stripping of junior liens, and said the extra delay is well worth it.

There was discussion about negligent owners, and not having an issue in the last two tax sales within the last three years. Mr. Tressler said that at this last tax sale there were 299 properties up for bid, with 101 being purchased, and 83 of those by tax sale investors. He said there was no sale in 2020, but stated that in 2017 and 2018 there were 16 and 17 certificates purchased, respectively, by investors, and advised that 9 are still out there with no taxes paid since then, with the county pulling them out of tax sale to start legal proceedings. Mr. Tressler stated that makes him pretty worried about these 83 properties now being purchased by the investors. He discussed the process necessary to complete the sale of properties, and said if nothing has been done between then and the next tax sale, there should be some way to tell the potential owners that they've lost their investment. Mayor Morriss stated that the amount of time they have needs to be reduced, with losing their rights within the year, not in two and a half years, and said they should have to start foreclosure procedures in maybe 90 or 180 days. Mr. Cohen stated that was never going to happen downstate, and added that it's unrealistic.

There was more discussion regarding the investors holding onto their certificates, with some being as long as 7 years, and no payments made. Mr. Cohen stated that these investors have taken these cases up to the point of final order in all of these instances. There was discussion about actuarial tables and the percentage of properties that will sell. Mr. Cohen explained how properties get flagged and not put back onto tax sale, and described a scenario explaining the time frame from sale to foreclosure, waiting until the last day to file, which could be 3 years down the

road, with no taxes paid, and at the end of 3 years, it gets sold again at tax sale, another six months for foreclosure, another 2 years to file, and on and on as time goes by.

Mr. Cohen discussed cases where the County has sold property that was previously sold at tax sale where foreclosure wasn't concluded, and said he would file a motion to strike the final order and dismiss the case, which gives them a clear run at the tax sale foreclosure. He said the problem is that this is the second round, and there has to be a better way, which is why he thinks the Zombie idea in his memo regarding including all liens is great. There was discussion about the next legislative breakfast, and sending the memorandum out to all the representatives right now, rather than waiting. Mayor Morriss advised he would get it to the MML legislative group as well, and said he thinks they will see it as a state-wide issue. Mr. Cohen stated to keep in mind that when making proposals it can be a big process to create legislation, and said the legislative staff will do the drafting to get it to the initial form to be presented to the legislators.

III. MAYOR AND CITY COUNCIL UPDATES

Councilman Bernard discussed the skate park project and advised that he met with the head of the steering committee, Cheyenne Jenkins. He said they had scouted out locations and stated that they wanted the location to be in Constitution Park. He mentioned the area across the road from the amphitheater that is owned by UPMC, and advised that Mr. Tressler will check on that. He also advised that Ms. Jenkins has spoken with Jake Shade, and said the County has promised most of the funding with an Open Space grant. Mr. Bernard also mentioned that Spawn Ranch, which did the Hagerstown skate park, if they can do it, will design the City skate park for free.

There was discussion on skate park fundraising and where the money needs to go. Mr. Tressler advised that the preference would be for them to hold onto the money, and said if they want to open a trust fund, they need to look at the legal aspects. Mayor Morriss advised that they need to set up a meeting with Mr. Gandolfi and Mr. Tressler about funding sources they can reach out to, and then to find the best way to set up an account. Mr. Bernard said the steering committee has an aggressive timeline, and wants the location hammered out by the end of the month. He added they want to brief M&CC on everything so they can apply for Open Space funding, which has a deadline sometime in August.

Councilman Cioni discussed the Splash Pad and reviewed his trip to Hagerstown to look at theirs, which he stated cost approximately \$200K, and said was a pretty simple design, but a very nice, well-used facility. He stated that having the splash pad inside the Constitution Park Pool, like Diane Johnson recommended, will save a lot of money and make it more doable. The Councilman suggested extending the pool area toward the day-camp to fit the splash pad in there, then have another entrance to the pool. He added that in Hagerstown, they have an \$80K contract with the YMCA for them to run the pool and provide staff. He added further that he had spoken to Let's Beautify Cumberland after the splash pad tour in Hagerstown, and said they showed interest in helping to look at areas in the park that they could beautify, as there is not sufficient staff on hand for that work.

Mayor Morriss agreed that LBC and volunteers can do certain things at the park, but said it's still incumbent on M&CC to have the master plan of what all the City wants to do - skatepark, splash pad, inviting picnic areas, pavilion updates, etc. He said that Constitution Park is an underutilized asset, and with some TLC it can be a great spot for the community.

Councilman Frazier advised on the scenic railroad, which is now running, and discussed the new CEO, saying he has some great ideas. He spoke about the Ice Cream Train that ran recently, at a

low cost, and said the railroad is trying to get the community involved more. The Councilman also discussed a meeting regarding concerts at Canal Place, and said next year they want to have a concert with a semi-well-known group once a month, with off-weeks scheduling free concerts with local talent. He discussed the maximum charge per ticket for the once-a-month concert as not more than \$25, generating up to \$75K from the concert which will help keep the concerts going. He added that another meeting will take place this coming Thursday.

There was discussion about the City taking the recommendation from the state to take over the CPPDA grounds, with Mayor Morriss advising that there is a task force, with Delegate Buckel, and said it's all a matter of what they decide and what the City is going to do. He also advised that there are different breakdowns of how the CPPDA can be divided, and said they'll just have to wait to see what the task force comes up with.

Councilman Frazier also advised that the HRDC will meet this Thursday, and said the HRC is getting ready for National Night Out coming up August 3rd. He also spoke about the Doors To Opportunity presentation and said they are working on getting donated doors for the display. He added that they will be meeting again next Monday.

Mayor Morris advised that he and Mr. Tressler had a meeting with Matt Miller and the Deputy Secretary of the DHCD from Annapolis over at the CEDC, and said it was a good conversation about potential housing things the City might do. The Mayor also advised on the work at the East Side School site, saying the work is continuing quickly, and added that underground piping has started. Mayor Morriss also mentioned LBC, and what a great job they did with the fireworks on Washington Street.

Mr. Cohen advised that there was another refinement to one of the legislative proposals that the wanted to add, and said he will get it to M&CC. He asked that it be emailed to the powers-thatbe, or if they wanted to mail it he advised that he has a cover letter ready to share. Mayor Morriss advised that he will take care of communicating with the state official, and said they will get that going.

IV. ADJOURNMENT

With no further business at hand, the meeting adjourned at 6:04 p.m.

Respectfully submitted,

Marjorie A. Woodring City Clerk

Minutes approved October 5, 2021