

# Mayor and City Council of Cumberland

## WORK SESSION

City Hall Council Chambers  
57 N. Liberty Street  
Cumberland, MD 21502

Tuesday, March 10, 2020  
4:30 p.m.

**PRESENT:** President Ray Morriss; Council Members: Richard Cioni, Eugene Frazier, and Laurie Marchini. Seth Bernard was Absent.

**ALSO PRESENT:** Jeffrey D. Rhodes, City Administrator; Michael S. Cohen, City Solicitor; Marjorie Woodring, City Clerk; Paul Kelly, Executive Director-CEDC; Matt Miller, Economic Development Specialist

Media Present: Greg Larry, Cumberland Times-News

### I. 712 ELM STREET DONATION

Mr. Kelly provided background on the property, saying that it is approximately 3K total square feet with a total assessed value of approximately \$19K, and is located across from parcels being developed by First People's FCU at Martin's plaza. He advised that Stacy Bingaman from First Peoples said the property was residue from other properties acquired for development, and that they were willing to gift it to the CEDC or the City for zero dollars. Mr. Kelly stated that First Peoples jumped the gun and prepared the deed in the name of the City, and inquired if Mayor and City Council wanted to have it remain in the City's name, or have the deed changed to CEDC ownership. Mr. Cohen advised that if the Mayor and City Council wants it to go to the CEDC, and then have the deed changed without putting the City in the chain of title, if it can be helped. He cautioned that if the City accepted it they may be subject to any environmental issues at the property.

Mr. Kelly advised that this property falls in the same area as other City blight removal, and asked that the City retain the title, provided there are no issues, and put it on the blight list, while moving forward with acquiring more properties. Mayor Morriss stated that since it's a future target area, would it be better to have strategic demo funding, or better for the CEDC to own it. Mr. Rhodes advised that it would depend on circumstances at the time, when the project presents itself, and stated there was no concrete answer as to which is best right now. Mayor Morriss handed it back to Mr. Cohen, who advised that he had already said all he had to say, reminding them that the only issue would be environmental, if that. Mr. Kelly discussed how this property could tie-in with the completed housing analysis recommendations and the blight plan, and showing an overall strategic plan to the State to ask for funding. Mr. Rhodes advised

that whoever owns it will have the maintenance responsibilities – keeping people out and grass-mowing. At the end of the discussion, Mayor Morriss advised that they would think about it and let the CEDC know.

## II. 400 N. MECHANIC STREET TRANSFER

Mr. Kelly provided background on the property and a brief history of the request of transference to the CEDC, and provided specifications for certain businesses they wanted to attract. He stated that businesses could “incubate” and grow, or if they wanted to buy, the CEDC could sell it to them so it could be returned to the tax rolls.

Mr. Kelly advised that the City’s suggestion to lease it to the CEDC, who would then sub-lease it, was rejected by the CEDC board for various reasons. He noted that 4 of 5 Mayor and City Council members agreed to convey the property, and that Mr. Rhodes had brought up the idea of a reverter, which made sense. He stated, though, regardless of the reverter, it makes a lot of sense to have the capacity to sell.

Mr. Kelly advised that Mr. Miller had spoken with a number of people about having space downtown, and spoke with a prospect for 400 N. Mechanic who is anxious to find a home they can grow in. He stated that the prospect has issues such as lack of equity, cash-flow, credit-worthiness, etc., and has determined that they are a prime candidate for the space. Mr. Kelly asked where the Mayor and City Council stand on the CEDC’s request.

Mayor Morriss advised that they had discussed it the previous week, and Mr. Cohen advised that he had discussed with Mr. Kelly the City’s approach for the property versus what Mr. Kelly planned to do, which deviated substantially from what the CEDC had in mind, versus an outright transfer to a third party from the get-go, which was not acceptable to the Mayor and City Council. The Mayor advised that the City’s concept of “incubator” was different than what the CEDC described, and there was discussion on the differences perceived by both sides. Mayor Morriss advised that if the CEDC board was interested in doing something as outlined by Mr. Cohen, then the City would still be interested, but if not, then the City would need to move on.

Mr. Kelly explained his views on the use of the property, saying that the CEDC is careful never to appear they are trying to pick one business over another, while being objective and true to their goal. He advised that his idea was not to revolve a bunch of businesses through the building. Mr. Kelly discussed his observations from the last meeting, said he didn’t want to go back to the customer to say the deal was off, and asked the Mayor and City Council to reconsider.

Mr. Rhodes discussed what the City’s goal is for the space, whether incubator, or placed back on the market for tax dollars. Mr. Cohen stated that the original document had reverter provisions in it, but stated that the greater discussion had been when Council found out the CEDC’s intended use for the property.

There was more discussion on the reverter clause, and having the property back on the tax rolls. Mr. Cohen advised that it would be a good idea to have a discussion between him and the Mayor and City Council to make the document more consistent with what Mr. Kelly was describing. Mr. Kelly advised that he is not looking at a flipping idea, and said they really want to emphasize that this candidate didn't fit in any of the other boxes.

### **III. DEVELOPMENT OF EAST SIDE SCHOOL SITE**

Mr. Kelly suggested that Mr. Rhodes send everyone a quick update by email, and Mr. Rhodes advised that they have it narrowed down to one or two small issues with WODA.

### **IV. CEDC HOUSING ANALYSIS PROGRESS**

Mr. Kelly advised that the CEDC had conducted an advisory meeting the previous Monday, attended by 16 people. He stated that 2 staff members from the consultant had been in town, and he and Mr. Miller drove them around to different sections of the City, places under development, etc. He added that they had a meeting with the consultant, and advised on data that was provided, i.e., jobs in the City versus the number of workers in the City, where they live, etc., and contrasted the data with other cities including Winchester and Frederick. He advised that they also discussed working with Lee Borrer, and uses for CDBG funding.

Mr. Kelly advised that they had finalized a human resources survey regarding new recruits and what they are looking for in terms of housing. The goal is to try and find out what the gap is and what amenities they need that the City doesn't have. He added they are trying to solve the employment crises through housing. Mayor Morriss advised that he had attended the consultant meeting and spoke on their level of detail to make sure they are covering their bases. He advised that they met with Code Enforcement to get their perspective, and stated all in all it was a good meeting and they are heading in the right direction.

Councilman Cioni inquired on what the three goals would be from the housing analysis.

Mr. Kelly replied the following:

- 1) Narrowly define issues
- 2) Identify competitive advantages and disadvantages
- 3) Give objective analysis and solutions to choose from

### **V. RELOCATION OF UNION RESCUE MISSION**

Mr. Kelly provided background on the Union Rescue Mission's location and their goals, which includes expanding services for women and children. He added they also provide a link to healthcare. He said that the CEDC board supports the Union Rescue Mission's goals, as it dovetails into economic development because of where it's located. Mr. Kelly explained that the mission views their current location as inadequate as it's near the railroad tracks, and added that the CEDC has agreed to partner with them, to help them find new land and with their design. He stated that the CEDC is prepared to spend money for an

appraisal of their property and a design for their new building. Also, their current property can be reused for a new economic development purpose.

Mr. Kelly stated that the Union Rescue Mission needs to have serious analysis done to improve their existing facilities just to keep it going, but they don't want to put too much into it since they want to relocate. He inquired if the Mayor and City Council were also committed to the mission's relocation, and asked for some guidance.

Mayor Morriss agreed that the Union Rescue Mission does provide critical services to a good part of Cumberland's population. He agreed relocating them would be a win-win for them as well as for the City, if the downtown area's perception of safety in the community returns. Councilman Cioni stated that the mission is really evolving under Pastor Ziler's leadership, and asked if he was looking to move to green space in the City. Mr. Kelly stated that all options are on the table.

Mr. Cohen provided information on new zoning regulations forthcoming which would amend definitions for certain uses. He added that they need to keep that in mind and think about what zones would be appropriate. Mr. Kelly suggested having a discussion on site selection consistent with the City on where the mission can be allowed to go. Mayor Morriss advised to structure the locations based on what the zoning is now, saying they can work on legislation at another time. Mr. Cohen provided information on what would need to happen first, which would be to go before the Planning and Zoning Commission.

There was discussion on new construction versus the mission moving to an available unoccupied building, the square footage necessary, and whether there was any funding available.

## **VI. PROPOSAL FROM CEDC TO REFORM BALTIMORE STREET & DOWNTOWN MUNICIPAL PROGRAMMING**

Mr. Kelly stated that there has been lots of discussion regarding the downtown mall tax, and advised that there appears to be a universal desire to eliminate it. He said it could be viewed as an impediment to our downtown real estate, saying that if included with other taxes, it adds up to Cumberland having the highest tax rate in all of Maryland. He provided background on the beginnings of the mall tax, saying that now it's obsolete. He said the DDC is also obsolete in terms of their purpose being to manage the pedestrian mall.

Mr. Kelly advised that everyone has their own concept on the needs for the downtown area, and added that the term "downtown" means different things to different people. He suggested defining a geographic area of Cumberland's "downtown" and suggested specific areas that should be included. He then advised to have one sophisticated, qualified person to manage the downtown, coordinate activities, and be a "Place Manager", who is guided by what the Mayor and City Council want.

Mr. Kelly also suggested that the Place Manager have an Advisory Committee which would possibly include the DDC and DCBA board members, or have the Mayor and City Council define it. He said their purpose would be to get word from people on the street to come right to the Place Manager, who would then report what's happening to the Mayor and City Council. He added that the Place Manager should handle continued work on the mitigation plan for construction, assist with events, involvement with citizens, coordination with tourism, marketing and coordination with business recruitment.

Mr. Kelly stated that there is a sense of urgency, and advised that the DDC voted to move forward with a discussion as to whether they should be eliminated or reformed. He added that now, or soon, is the time to do it as he is currently working on a consolidated budget for the new Allegany Development Corporation. He advised that if the Mayor and City Council want that person to be in the CEDC's budget they have to talk about it soon, or if the person will be somewhere else, they need to decide how they would interact with the CEDC staff.

Mayor Morriss agreed it's a critical time as far as how this is done, and with going into the construction phase on Baltimore Street. He added that the downtown area needs to be defined in the short term and long term, and said he looks forward to working with Mr. Kelly to figure out the organizational structure. He stated that he will look further into the mall tax to see what services it pays for and how they would be provided if it is eliminated.

In answer to a question about the Place Manager, Mr. Kelly suggested having the person in hired within 30-60 days.

Councilwoman Marchini advised that mall tax services were discussed at a recent DDC meeting, with a subcommittee created to explore those options so everyone could be on the same page going forward, with no expectation of service if the tax goes away. Mr. Cohen advised that the Charter Amendment process would not allow for a 30-60 day implementation as far as anything having to do with the Special Taxing District.

Mayor Morriss agreed for Mr. Kelly to continue the discussion with the CEDC and the DDC to figure out the best organizational plan for how it would work, and how the new position would fit into the budget.

Mr. Rhodes advised that there are services on the mall that could be eliminated, but also some that would be hard to eliminate like water fountains and trash receptacle services.

Mr. Kelly said he has been approached by several people he respects who could do this type of job, and are interested in this type of job.

Greg Larry, Cumberland Times-News, wanted to confirm the CEDC's name change to Allegany Development Corporation after the merge with the County, and asked if a new location had been found. Mr. Kelly advised no, they have not found a location yet, nor have they signed a contract, saying they are still working on that.

**VII. ADJOURNMENT**

With no further business at hand, the meeting adjourned at 5:56 p.m.

Respectfully submitted,

Marjorie A. Woodring  
City Clerk

Minutes approved April 21, 2020