

Mayor and City Council of Cumberland

WORK SESSION

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

Tuesday, October 19, 2021
5:00 p.m.

PRESENT: Raymond M. Morriss, President; Council Members: Richard Cioni, Eugene Frazier, and Laurie Marchini. Councilman Joe George was absent.

ALSO PRESENT: Ken Tressler, Interim City Administrator; Marjorie Woodring, City Clerk; Michael S. Cohen, City Solicitor

Media: Greg Larry, Cumberland Times-News

I. PUBLIC MEETING AGENDA REVIEW-OCTOBER 19, 2021

Mayor Morriss reviewed the agenda for the October 19, 2021 and called for questions or comments. He stated that a local Girl Scout Troop would be at the public meeting with a traffic request. The Mayor advised on the Oath of Office for two new CPD officers, the two Proclamations, and the two public hearings on the agenda. Mr. Tressler provided background on the first hearing, a zoning change request for 718 Frederick Street, and advised that Morgan Alban will go through it and explain it in the public meeting. The Mayor advised that for the second hearing, which is the 2020 Consolidated Annual Performance Evaluation Report (CAPER), Lee Borrer will provide a PowerPoint presentation, and said she had sent M&CC information ahead of time.

Mr. Tressler reviewed the Unfinished Business ordinance:

Ordinance No. 3901 (*2nd and 3rd Readings*) - Accepting bids for the purchase of six (6) parcels of property offered for sale through the "2021 Request for Bids - Surplus Property Round III" bid process, and authorizing the Mayor to execute deeds effecting the transfer to the successful bidders.

Mr. Tressler advised that there were 18 properties on this list, and 7 were bid on, with 1 property being held out due to needing to be declared surplus first.

Mr. Tressler reviewed the New Business Resolution, Ordinances, and the Consent Agenda:

Resolution No. R2021-07 – declaring the official intent of the City to reimburse expenditures paid with respect to the “Decatur Street Waterline Project” from proceeds of the “Reimbursement Bonds”

Mr. Tressler advised that this resolution is typical when the City issues bonds, and said the contractor has already started ordering materials. He added that this allows the City to cover project expenditures prior to the actual closing of the bond.

Ordinance No. 3902 (*1st Reading*) – Accepting the bid from RM & GM, LLC from the “Round III Surplus Property Sale” for the purchase of 130 Polk Street for the amount of \$2,500 and authorizing execution of a deed to effect the conveyance.

Mr. Tressler advised that this property was inadvertently left off the surplus properties declaration, and was put out to bid.

Ordinance No. 3903 (*1st Reading*) – Accepting the bid from the “On-going Surplus Property Sale” for 3 Altamont Terrace from David W. Smith for the amount of \$100 and authorizing execution of a deed to effect the conveyance.

Mr. Tressler advised that this property was originally in the Surplus Properties Round II bid, and was not bid on. It continued to be listed for sale, and then this bid came in.

Ordinance No. 3904 (*1st Reading*) – to repeal and re-enact with amendments Sections 6-1 through 16-6 of the City Code to update employee paygrades.

Mr. Tressler advised that the last time the pay ordinance was updated was 2017 and said that since that time there have been several COLAs and a minimum wage increase. He stated that this does not immediately affect any employees, it just raises the cap. He also said that there have been some new positions added since 2017, with some being just changes in description. He added that this ordinance makes the language more readable and gets rid of old positions that are no longer used.

Order 26,892 - authorizing execution of a Donation Agreement with Timothy L. and Lisa L. Kenney regarding transfer of property at 107 and 109 S. Allegany Street to the City and authorizing execution of a deed to effect the transfer.

Mr. Tressler advised that the tax certificate for this property was originally purchased in 2016 by a tax certificate investor, and the City planned to foreclose as the investor never completed the foreclosure process. He stated Mr. Cohen worked on striking their position and doing the tax sale foreclosure, and said that the Kenney’s agreed to donate it to the City, bypassing a lot of legal work and expense. Mr. Tressler added that no taxes have been paid since 2013 and said the City believes it’s a rehab candidate, and still salvageable as it’s a targeted property.

There was discussion about what happens with tax certificate investors and original owners not even knowing they still own the property and are responsible. Mr. Cohen discussed property owners who go through bankruptcy thinking they are free and clear of all debts and not responsible for upkeep anymore. Mr. Tressler advised that in the last tax sale they had more tax certificate investor activity than ever before – 80 or so properties. He said he’s concerned about the properties because if they sit out there too long their ability to be rehabbed dwindles.

Mr. Cohen discussed proposals he made to take to the Western MD Delegation to change some of the regulations with investors. Mr. Tressler suggested approaching the original property owners to see if they want to donate.

Councilman Cioni stated that 109 S. Allegany is near his residence and said he noticed some basement windows broken out. Mr. Tressler advised that they will secure it as soon as the City gets control of it. Mr. Cohen advised that he has the deeds for both properties on the Consent Agenda tonight.

Order 26,893 - authorizing execution of a Donation Agreement with David A. Knoche and Douglas A. Knoche regarding the transfer of property at 802 Maryland Avenue to the City and authorizing execution of a deed to effect the transfer.

Mr. Tressler advised that this was a family home that was maintained for years, but was vandalized, had copper stolen from it, and the property was trashed, so the owners just decided to let it go. He stated that it is in the City's targeted area and will likely be demolished, and said this order will allow the City to foreclose and handle the property as needed. He advised that the City owns property on one side of it, and said the one on the other side needs to be addressed as well.

Councilman Cioni brought up the matter of tax sales again and about speaking to Senator Edwards. There was more discussion, and Mr. Cohen advised that he did the legal work, and said it's up to M&CC to get in touch with the Delegation. Mayor Morriss advised that they sent everything to all the Delegation members asking them to take a look at it, convert it to bill form and put it out there. Councilman Cioni advised that he would see the Senator soon and will say something to him.

Greg Larry, Cumberland Times-News began another discussion about tax certificates, asking what do they entitle investors to and for how long. Mr. Tressler advised about the process that they can start, and said there is no real limitation on it after that. Mr. Cohen explained it further, and discussed procedural rules of court, saying the case can't sit for more than a year without any action. He said a lot of times courts don't clear out those cases, so they just sit there, and stated that he has been working on strategies to deal with these cases. Mr. Larry asked about investors paying all back taxes. Mr. Cohen advised that they do, and sometimes more, depending on how competitive the bidding is. He explained further about what happens when a property is bought at tax sale, and said some investors have a legal team and file paperwork to keep their interest as long as they can, but said a lot of the time people are just looking to buy time. Mr. Cohen added that none of these laws are under local control, and said there needs to be legislation changes.

II. ADJOURNMENT

With no further business at hand, the meeting adjourned at 5:33 p.m.

Respectfully submitted,
Marjorie A. Woodring
City Clerk

Minutes approved February 1, 2022_____