



Mayor and City Council of Cumberland

Mayor Raymond M. Morriss
Councilman Richard J. "Rock" Cioni
Councilman Eugene T. Frazier
Councilman James L. Furstenberg
Councilwoman Laurie P. Marchini

City Administrator Jeffrey F. Silka
City Solicitor Michael Scott Cohen
City Clerk Allison K. Layton

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WORK SESSION

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

Tuesday, March 5, 2024, 5:00 p.m.

PRESENT: Mayor Raymond M. Morriss; Council Members Eugene Frazier, Jimmy Furstenberg, and Laurie Marchini. Councilman Rock Cioni was absent.

ALSO PRESENT: Jeffrey F. Silka, City Administrator; Allison Layton, City Clerk; Michael Scott Cohen, City Solicitor; Bobby Smith, Director of Engineering and Utilities; Chuck Ternent, Chief of Police

Media: Teresa McMinn, Cumberland Times-News
Kathy Cornwell, WCBC Radio

I. UPDATE FROM RICH REINHARDT WITH PERCY PUBLIC AFFAIRS

Mr. Reinhardt stated that this is a critical time in Annapolis this year, in terms of legislation, and shared a graph showing the number of bills in the Senate and the House Committee which are substantial - just 60 bills shy of 4,000 individual bills introduced this year - which is a historic milestone. Reinhardt said that an average year typically would have 2,500-2,700, maybe 3,000 bills and for this being a non-election year having almost 4,000 bills in the general assembly is remarkable. The weekly bill report is sitting around 48 pages for Cumberland and covers a large volume of bills that are being tracked on our behalf including public safety, transportation, labor, health issues & property tax issues. He continued that there are some bills he is watching closely and some that we have actually taken positions on.

Mr. Reinhardt stated that March 12th marks the 63rd day, which will commemorate the committee reporting and is a general courtesy for each of the Chambers to provide a report on all of the bills that are in their committee. The following week will be Cross-Over date, March 18th, which is when each Chamber must send over all of the bills they are intending to move favorably. If it does not crossover, the bill is dead and must wait until next year. April 1st the budget bill has to

pass through both legislature Chambers and be presented to the Governor, and the following week, April 8, will be last day of session and adjourn at 12:01 that evening.

Mr. Reinhardt continued with an update on where we stand on some of the bills. Reinhardt stated that there was a bill, House Bill 243 that we submitted opposition on, departmental bill that makes various changes to the state law governing the sales taxes relating to properties that local governments are authorized or required to withhold from sale, the amount that must be paid to redeem the property after a tax sale and the timing of the filing of a complaint to foreclose the right of redemption on owner occupied residential property. The bill was presented to the House Ways and Means Committee and has been sitting and does not look like this is will be moving forward.

Mr. Reinhardt moved on to House Bill 507, “Allegany & Garrett Counties Property Income Taxes - Credit for Construction and Purchase of Housing”, a bill that was introduced last year that did not pass. It is legislation will only affect Allegany & Garrett counties and would establish a credit against local property tax and state income tax for newly constructed residential property in those two counties. Allegany County and Garrett County, and the municipalities within those two counties, by law, must grant a property tax credit for up to \$10,000 against the property tax imposed on an eligible dwelling for up to five years if the eligible dwelling meets specific requirements. Mr. Reinhardt continued that he and Mayor Morriss had discussed this bill with Delegate Jason Buckel about shared concerns. Delegate Buckel had stated he was confident this bill was going to move out of the House Chamber and potentially pass. However, Mr. Reinhardt continued that this Bill was heard a month ago and had had no further movement and with the current financial condition for the State, he feels the State cannot afford to lose that kind of revenue and that this Bill may not pass.

Mayor Morriss interjected that there would be administrative burden to be made whole by the Comptroller’s office. They get tax credit and the state would reimburse us the difference, but we’d have to file to be able to get the funds back.

Mr. Reinhardt continued with House Bill 559, “State Employees 4-day Work Week Implementation”, a Bill which would require the Department of Budget Management to identify, by October 2025, those particular units of state government that could transition into a (4) day week work and would also be required to complete implementation for state employees in those identified units by October 2027, and by October 2028 would have to report on implementation. He said that this is a transitional piece of legislation with reporting requirements four years out and has had no further action since its introduction.

Mr. Reinhardt explained the Public Safety Bill that they are tracking for the Police Chief; House Bill 707 for law enforcement for use of body worn cameras. Would alter/expand application of existing provisions that require specific law enforcement agencies to require the use of body worn cameras by each sworn law enforcement officer while in uniform, in public and conducting law enforcement duties and regardless of rank. Reinhardt continued that while concerns have been raised, at this moment, this bill has not received any additional traction other than a hearing last week. He will be watching this bill closely for the next two weeks.

Mr. Reinhardt continued with a bill that has been tracked since last Fall, Senate Bill 14 - “Economic Development Tourism Zone”. This is one of the first bills introduced this Session and has received a lot of support from Frostburg, Cumberland, the Department of Commerce and the Governor. This bill allows municipalities to designate specific tourism zones which would

exempt gross receipts from any admissions or amusement charge levied by a qualifying tourism enterprise for admission or amusement taxes.

Reinhardt continued that it would grant property tax credits against county and municipal real and property taxes to qualifying tourism enterprises located in that tourism zone. He stated that Mayor Morriss and Mayor Bob (from Frostburg) were on hand to testify, however the Committee Chair made an error and overlooked the others that were there to speak and they were not allowed to present. The Maryland Association for Counties is ambivalent to this, but outside stakeholders want to see it expand. The Bill is currently at a crossroads and we need to see if it will get on a voting list.

Mr. Reinhardt continued with McKay's Senate Bill 1070, the Bill related to the financial institutions of the Canal Place. He is pleased to report that the Bill was withdrawn by Senator McKay prior to the hearing. Senator McKay will look to engage stakeholders to further discuss the legislation.

Mr. Reinhardt discussed the budget process and indicated tomorrow the subcommittees will be reporting out recommendations on operating needs across state government. Once the reports are issued, they will be presented in a final report to the Senate Budget and Taxation Committee. Reinhardt indicated we'd be watching closely the Capital Budget decisions, as well with hearings coming up, which is where some of our budget requests are found.

Reinhardt said that we've been fortunate, through the efforts put in over the last 8 months has secured \$500k in the Governor's Miscellaneous Grants budget and is confident that the money will be maintained in the senate decision. In addition, we've worked with Senator McKay and Delegate Buckel on seeking \$350k for Evitts Creek Phase IV and are hopeful to see that bond initiative move forward as well. It's been given top priority by Delegate Buckel.

Mr. Reinhardt shared that once the rubber stamp of both the Operating and the Capital budgets is done it will go to the floor for a 2nd and 3rd reader and then will go to the House for consideration. He will provide updates as reports come through.

Mr. Reinhardt continues with the post session and what our strategic plan is. He says we will have a to-do list over the summer, primarily around our needs for infrastructure support. We are seeking meetings with Matt Voorhies and the Governors office about starting strategy on how to leverage our Congressional partners to bring money back for the infrastructure projects.

He also indicated we are hoping to bring Governor Moore back to the area, especially for the ribbon cutting ceremony on Baltimore Street.

Mayor Morris thanked Mr. Reinhardt for the update and said we've had a very active year. We've been successful in laying a lot of ground work that will help going forward.

Mr. Reinhardt remarked how impressed he is with how quickly Cumberland has generated a close relationship with this administration (Governor Moore), saying that in less than 18 months, the amount of attention and support this administration has given to Cumberland and the relationships that have been built are significant. He said the representation that Cumberland brings generated a lot of buy in there in Annapolis to help with the area.

II. FUNDING DISCUSSION ON WILLS HOTEL

Mr. Silka stated this project originally had a \$3M budget and was raised to \$4M. After the actual bids came in, they were sitting at \$4.6M, generating a \$600K gap to close the project which has already gotten a tax credit. He continued that Allegany County offered a strategy that they (the County) will go to the George Edwards fund for the additional \$250K, the county will match that amount and is asking the City to come up with \$100K to make the project happen.

Silka shared that the City received unexpected additional grant funding of \$1.5M for the Baltimore Street project, which freed up the cash balance. Now with \$1M left, we are proposing to use \$100k to go into the Wills Hotel project to make it complete.

Mayor Morriss indicated that the County has been forthcoming to fund City projects and if the City has \$100K to use for a project on Baltimore Street, then it should be considered.

Councilman Furstenberg questioned how far down the road the project was and Mr. Silka replied that the project is ready to go. Councilwoman Marchini stated she felt it was a worthy cause to be so close but unable to bring it to fruition. Councilman Furstenberg questioned how much the developer was putting into to, and the Mayor replied that it is \$3.5M.

Council came to a consensus that the funding would be provided.

III. REVIEW OF PUBLIC MEETING AGENDA 3/5/24

Mayor Morriss reviewed the meeting agenda pointing out that the Arts Commission Ordinance was something that needed to move forward. He also questioned the Army Corps of Engineers agreement on the agenda.

Mr. Robert Smith explained that this agreement allows the City to begin working to develop a project that will combine the canal rewatering and the 78" pipeline. They will rewater 1.2 miles on the Canal by removing the levee installed in the 50s. They will be removing 15-20 feet of earth in places; the water will flow to Oldtown and the 78" pipeline will be installed. The Army Corps of Engineers would pay for most of the construction.

Smith continued that the portion within City limits counted as work in kind and will cover the City's contribution without needing anything additional. He stated that the Earmark awarded to the Corps for \$390K gave them what they needed for this project. Smith further explained that the City will be responsible for 35% of the project costs and will be on the hook for the 78" pipeline within the project. There will be a meeting with the Corps in the next few weeks. This is expected to have a 3-4 year design phase with construction following, which would be an expected 18 months before re-watering could occur.

IV. MAYOR AND CITY COUNCIL UPDATES

Mr. Frazier explained that he has an upcoming meeting about the Riverpark and that there is a new business going in on Elizabeth Street called J&J Truck and Body, which is based out of Somerset, PA.

Mr. Furstenberg stated he attended his first Parks & Recreation board meeting.

Ms. Marchini stated the Downtown Development Commission's Mainstreet Committees are meeting and are looking for sponsors for music for Friday after Five, the Winter Festival and the Farmers Market. The Historic Preservation Commission also approved the first solar panels on Washington Street.

Marchini continued that there is a need to update the survey for the Downtown Historic District for the purpose of historic preservation taxes for the tax credit and they are looking for a grant to do that. There will also be a big archaeological dig in Oldtown on May 31st-June 10th, and there will be a dinner held and Council will be able to participate in the dig. Marchini also shared that the Hooley Plunge went well and that the Hooley Pub Crawl was coming up next week.

Mayor Morriss explained he had a great meeting with the Governor last week, giving him a chance to talk about what is going on in Cumberland. Thursday night was part of the Mayor's Association meeting reception at the Governors Mansion. He followed with a reminder of the Hooley Pub Crawl on March 16th.

Mr. Silka stated that the elevator in City Hall will be out of service on the 11th for at least 6 weeks and the air conditioning will be down until September. There are plans to hold public meetings elsewhere and are currently working with Allegany County and the Allegany Museum to explore use of their buildings. Silka also stated he was looking to relocate some staff during this time.

V. ADJOURNMENT

With no further business at hand, the meeting adjourned at 6:11 p.m.

Respectfully Submitted,

Allison K. Layton
City Clerk

Minutes approved on: April 2, 2024