

Mayor and City Council of Cumberland

WORK SESSION

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

Tuesday, March 16, 2021
5:30 p.m.

This meeting was held via Video-Conference

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

ALSO PRESENT: Jeffrey D. Rhodes, City Administrator; Margie Woodring, City Clerk; Ken Tressler, Director of Administrative Services; Kevin Thacker, Code Compliance Manager; Allison Layton, Citizen Services Representative

I. PUBLIC MEETING AGENDA REVIEW – MARCH 16, 2021

Mayor Morriss reviewed the Public Meeting Agenda for March 16, 2021, and went over the Reports and Minutes up for approval, as well as a Proclamation for Red Cross Month. He advised that Jason Keeling, Executive Director of the Red Cross Allegheny Highlands Chapter will be in attendance at the public meeting.

Mr. Rhodes provided background on **Resolution R2021-02**, which authorizes the City to issue General Obligation Bonds in order to finance or reimburse the costs of projects authorized for debt funding in the FY21 budget, as well as refinancing certain other general obligation bonds. He advised that the City will be borrowing approximately \$4M in new debt, refinancing a little over \$14M, and will ultimately save the City about \$1.5M. Mr. Rhodes also advised that Mr. Tressler will be going over the Resolution in more detail during tonight's Regular Public Meeting.

Mr. Rhodes reviewed the five Consent Agenda items:

Order 26,763 - accepting the sole source proposal from Hertrich Fleet Services, Inc. to provide a 2021 Ford F150 4WD Extended Cab for the amount not to exceed \$33,194 - using joint pricing through the Howard County, MD Contract #4400003197.

Order 26,764 - declaring a 2001 Freightliner Ambulance (VIN #1FVABLBW51HB62976) to be surplus and authorizing its donation to the Mountain Maryland Search and Rescue (MMSR).

Mr. Rhodes advised that MMSR will not be using this vehicle as an ambulance; rather they will use it as K-9 transportation.

Order 26,765 - authorizing the execution of a temporary Encroachment Agreement with Greis Kaarvaliksen, owner of 2 Grandview Terrace, to allow for his use and access of the public right-of-way adjacent to his property and to repair and maintain the steps and porch in this designated area.

Mr. Rhodes advised that Mr. Kaarvaliksen has done a lot of work in that neighborhood on properties he has purchased, and said that this encroachment agreement will give him access for continued maintenance.

Order 26,766 - authorizing a Special Taxing District Exemption for 55 Baltimore Street for the 2020-2021 tax year in the amount of \$1,104.72 (Original tax \$1,472.42 / 75% residential occupancy).

Order 26,76 - authorizing appointments to the Human Relations Commission, Planning & Zoning Commission, Parks & Recreation Board, and Shade Tree Commission.

II. COMM. DEV. PRESENTATION – NEIGHBORHOOD REVITALIZATION

Mr. Thacker provided background on the blight committee, and advised that 2.5 years ago they started it back up. He stated that members from Community Development, and the Police and Fire Departments identified and addressed problem properties, and said the next step in the process is moving to revitalization. He said this will include new software technology from Citizenserve and Building Blocks.

Mr. Thacker advised that since FY14 the City has spent over \$1.5M on nuisance abatement and blight removal. He stated that in FY19, when the blight committee started back up, the City demolished 12 structures, and in FY20, 22 structures. He added that this year 4 properties have been demolished, and 4 more are planned, with one being a shared-demo. Mr. Thacker advised that shifting focus to revitalization will help them target development opportunities, and return properties back to a productive tax base.

Mr. Tressler described the process, saying they looked at data from multiple sources and tried to put it in a context they could understand. He provided details on the steps in the process that was undertaken, from categorizing based on property type, to focusing on nuisance abatement, which culminated in implementing the new software called Building Blocks, to further enhance understanding.

Councilman Bernard inquired about the increase in FY20 as opposed to FY19. Mr. Tressler explained that some funds were done in connection with Community Enhancement Funds from the County, which had to be approved and go through the approval process. He stated that caused a delay in those demos that pushed it to FY20. In answer to another question from Council, Mr. Tressler stated that the FY19 funds were partly enhancement money, but mostly all City money. He advised that the County funds started with Rolling Mills Gateway Project, and stated that they've done several other projects and are getting ready for another on the Virginia Avenue corner, with County enhancement 50/50 matching money. Mr. Tressler said they have collected data from multiple sources, starting with the blight study, tax sale lists, negligent property owners list, CDBG housing studies, etc. He advised that the data is constantly changing, so they have incorporated some tools to help them manage it.

Mr. Thacker advised that from those lists they have categorized the properties into demo properties, and are moving towards rehab, non-buildable lots, buildable lots, and added that their next phase will be developer properties. He stated that from the list, and from ride-alongs with Council members, they have identified target areas where they want to concentrate their efforts: Rolling Mill Corridor, Columbia Street, Goethe Street, and Central Avenue.

Mr. Thacker discussed the first surplus property sale that was held in September 2020, where 20 properties were listed, with 9 sold. He said after the bid process the unsold properties stayed on the City website, and 3 more were sold.

Ms. Layton advised that after that initial surplus sale, they have formalized the process into an on-going sale. She went over the steps taken on the slide, saying it was a pretty lengthy process. She stated that all surplus properties were declared at the same time, and 20 will be put out to bid at a time, with a minimum of 30 days to respond to the bids. She said that after that 30-day window, they will have the committee meet on an as-needed basis to review and evaluate the bids with the same criteria as on the initial sale. She said after that, recommendations are made to M&CC, and approvals will be made by way of Ordinance.

Mr. Tressler advised with the initial list, 8 were sold for expansion, 1 for a garage, and since then, 3 more for building on, so they're happy with the results. Mr. Thacker explained that the first list focused on adjacent lots, which would probably never get built on. He said the next list will be targeted areas, high traffic areas, and said they have also had a lot of interest from citizens – people calling and inquiring – so others on the list are the ones people have asked about.

Mr. Tressler advised that one other consideration is the City's cost to maintain these properties, such as paying for lawn maintenance. He added that they are just getting the program launched, and said the best properties to be sold are yet to come.

Ms. Layton advised that the remaining properties will continue to have a For Sale sign posted, and then provided on the presentation the next group of properties to be sold, which she said would be available for bid very soon.

Mr. Thacker explained lots shown on Goethe Street, advising that one listed is not buildable due to zoning, one is buildable, and one is a rehab project. He said they don't really want to demo properties; they want structures there, and noted that 424 Goethe Street is a nice brick building with a new roof. He added that with the next round of properties, 70-80% of the inquiries have come from residents of the City right now, that want to expand what they have.

Mr. Thacker reviewed the next slide, saying they have good procedures in place, and the next step is development lots. He stated that they are hoping to have these sold in the future to a developer, or for a bigger project. He explained that the lots are multiple parcels where larger development opportunities would exist, and said for example, the 600 block of Maryland Avenue and the 200 block of Williams Street are developer projects, and are adjacent to the Rolling Mills Project. Mr. Thacker advised that they do have a partnership with the CEDC, and said they stay in touch with Matt Miller and want him to be in the loop.

Mr. Tressler moved to the next slide, and advised that they will continue to acquire additional properties, which is not really their preference. He explained that they want other owners to have the opportunity to acquire the properties, but said they themselves will have to deal with neglected properties.

Mr. Tressler explained Acquiring Through Tax Sale, saying they discovered there are corporate tax sale investors who are only in it to earn a higher rate of interest, and said that many properties that were bought never got redeemed and are still out there. He said once they can claim those properties, they will be rehab candidates.

He advised that there will be a tax sale in May, and added that they haven't had one since 2019. He said if those properties don't receive bids they will have to foreclose or ask for a donation from the owner to get out of tax liability.

Mr. Thacker briefly explained acquiring properties through donation, and said in the next phase they will be trying to figure out the procedure on how to accept these donations, and went over the list of criteria, which included health and safety concerns, owner not able to take care of property, owner deceased or incarcerated, and the property being in a target area.

Mr. Thacker explained shared demolition costs, and gave the example of 884 Sperry Terrace, where the adjacent owner offered to pay part of the costs by purchasing the property from the City for the cost of demolition. Mr. Tressler advised that this was suggested from Mr. Miller a while back.

Mr. Thacker provided details on revitalization partnerships, saying they are working with Lee Borrer and CDBG funds through HRDC, who have wanted to rehab affordable housing for a while now, but have never had the proper people in place to manage that. He explained that the City's Code Enforcement staff will help with the project management, oversee the inspections, etc., and help get these properties back into affordable housing for a lot of residents.

Ms. Layton provided information on the new Building Blocks tool, and shared a map, saying some information has not been imported yet, but will be coming soon. She explained that the map shows a birds-eye view of the City, with color markers to indicate land or structure. She said it gives the user the ability to zoom in on a parcel view, and gave a demonstration. She advised that it also gives the user the ability to change from map to satellite view, and back, and stated that each property will have a record that includes available details about it, but for now it's just SDAT information. Ms. Layton advised that eventually Police, Fire, nuisance complaints and all data sets will be imported, to become a thorough picture of what's going on with each property. She said this will help determine where they want to concentrate their efforts, which neighborhoods have the most issues, and how they can address them.

Mayor Morriss stated that it looks like a great tool in the City's revitalization efforts, with lots of information, and said he looks forward to fully utilizing it. Mr. Tressler noted that the Police and Fire Departments are also very interested in having live updates, live feed from SDAT, and he said it even gives live feed from utility billing, as well as live feed from the Citizenserve software. Mr. Tressler advised that they got the idea for utilizing this software from seeing demos from the City of Hagerstown, and said they were really impressed with it, and will save them a ton of time.

There was discussion on potential legislation Mr. Cohen has written about making sure people who participated in prior tax sales without turning properties around are not allowed to participate for 5 or 10 years, which needs to be done at the State level. Mayor Morriss stated that with COVID, the Delegation wasn't able to give that consideration. He stated that Senator Edwards has the information, and added that the City is hoping to get it as a Senate and House bill next year.

Mr. Thacker advised that if Council needed more explanation of any of the presentation slides to get in touch with him, and added that they have started to work with and share information with Hagerstown. The Mayor advised that he has

also been working with the Maryland Municipal League to get their backing and support.

III. ADJOURNMENT

With no further business at hand, the meeting adjourned at 6:22 p.m.

Respectfully submitted,
Marjorie A. Woodring
City Clerk

Minutes approved April 6, 2021