

# Mayor and City Council of Cumberland

## WORK SESSION

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

Tuesday, October 13, 2020  
4:30 p.m.

*This meeting was held via Video-Conference*

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

**ALSO PRESENT:** Jeffrey D. Rhodes, City Administrator; Michael S. Cohen, City Solicitor; Marjorie Woodring, City Clerk, CEDC Executive Director Matt Miller; Lisa Sturtevant and Manual Ochoa from LSA

### I. FINAL PRESENTATION OF HOUSING ANALYSIS BY LSA

Mr. Miller advised that the Comprehensive Housing Analysis has been finalized, and introduced Lisa Sturtevant and Manuel Ochoa from LSA, who are in attendance to discuss their findings which include implementation strategies, housing issues, data, etc.

Ms. Sturtevant provided a PowerPoint presentation, and noted that she worked with Lee Borrer, Community Development Specialist, to complete the CDBG Plan, and stated they also worked on the Analysis of Impediments, which are both required by HUD, and said these are the baseline set of analyses for more comprehensive study. She stated that at the request of the CEDC, they looked at a broader range of housing needs, and housing as a part of economic development strategy, with questions being “where are the unmet needs?” and “how can a housing strategy help retain a more diverse base of residents?”. Ms. Sturtevant stated that the goal was to develop a comprehensive local strategy to help attract middle and higher income working individuals and families, which is important for diversifying and supporting local businesses.

Ms. Sturtevant advised that they have recommendations for Phases I and II, and stated that they developed the bulk of these prior to Covid-19. She said, however, that some of the recommendations still stand at this time in recovery.

Ms. Sturtevant advised on the takeaways from the study:

- While there is a strong desire to take immediate actions, the plan for expanding housing opportunities is a long-term strategy.
- There are housing options not available in the City, but they are being developed in other parts of the region.

- On-going and private-sector investments must continue to improve City amenities.
- There is an opportunity for Cumberland to attract new residents from the region as well as from higher-cost markets.
- Near-term development will need to include housing supported by Federal, state, and local incentives.
- Two key publicly-owned sites in the City provide the best opportunities for new housing development in the near-term.

Ms. Sturtevant advised on the analysis, going over population demographics which show a smaller share of working residents and a higher share of lower income residents. She also discussed the distribution of household makeup, which showed the City having fewer families with older school-age children. She stated that about half of the households are non-family, meaning two or more people living together who are not related, single people who are disabled, or older adults. She added that they found that the City's residents tend to include more single person households, and they also found that the share of disabled residents is high in Cumberland relative to the rest of the region. She stated, however, that these findings are pretty consistent with other urban areas, but said it suggests that there are significant housing needs among the disabled. She added that a shrinking part of Allegany County's population has become a larger part of Cumberland's population.

Ms. Sturtevant noted that although housing costs in Cumberland are low relative to some other parts of Maryland, there are a significant amount of renters having a hard time managing housing costs. She stated that housing stock is significantly older than in the rest of the region, due to in large part to the City's history, and the fact that there has been little new construction over the last several years. She added that the lack of new residential construction suggests there is a lack of homeownership opportunities in the \$100K - \$200K price range, while the stock of lower-valued homes is relatively high. Ms. Sturtevant stated that on the rental side, the biggest needs are for rents in the \$500 - \$900 per month.

Ms. Sturtevant advised that they did a survey this past spring asking human resource directors what types of housing in the Cumberland region their recruits were looking for. She stated that two-thirds of the respondents stated single-family homes, with the highest demand being \$100K or less. She added that more than half of the respondents said apartments, in the monthly range of \$500 - \$900, were in demand as well.

Ms. Sturtevant reviewed market segments identified: Near-retirees and retirees - age 55+ who are looking to move and have more money to spend on leisure, and young adults and millennials that feel big cities are losing their shine, and have a desire to move to vibrant downtowns in suburban settings. Ms. Sturtevant said findings say affordable homeownership is important to young workers (but not necessarily a fixer-upper), as well as high-quality schools and daycare.

Ms. Sturtevant moved on to Recommendations for Phase I and Phase II, and noted that there are some things the City is doing right now that are moving in the direction of implementing these recommendations:

**Phase I (12 – 18 months)**

- Implement Blight Action Plan
- Continue Downtown revitalization
- Fund projects in CDBG priority areas
- Develop a “dollar home” program
- Inventory public land
- Educate about aging in place
- Establish a down payment program
- Review historic preservation program

**Phase II (post 18 months)**

- Make public land available for development
- Develop housing with federal subsidies
- Increase density on key sites
- Fast track development processes

Ms. Sturtevant discussed Site-Specific Recommendations:

**Scattered Sites** – bring public and private sector resources to targeted sites near downtown, with the goal to improve the housing stock and make downtown getaways more appealing to potential new residents.

**Memorial Hospital Site** – bring public and private sector resources to a shovel-ready site in a relatively well-maintained residential neighborhood, with the goal of creating new housing options not currently available in Cumberland on a prime site close to downtown with great views.

**County High School Site** – bring public and private sector resources to develop a mix of housing types at a range of price and rent levels, with the goal of creating unique housing options for a range of ages and family types.

Mr. Ochoa advised that this is not an economic development plan, and stated that the perception of downtown will color people’s perception of the quality of life in Cumberland. He stated that staff members that are hired is key to what the City and CEDC is trying to do to bring life to downtown again, along with having a good main street organization, upper level housing, and contact with residents. He also wanted to point out that the connection between the historic preservation process and the fast tracking development process can sometimes be viewed as barrier, so he recommends looking at those processes in place. He added that related to that issue is the connection between affordable housing and historic

preservation, and discussed published guidelines by the Federal Advisory Council on Historic Preservation regarding using federal funds.

### Questions and Comments

Mr. Miller asked them to speak on the public input (Steering Committee) portion of this study. Mr. Ochoa advised that they did a number of interviews from various groups that were included, and were able to take advantage of focus groups in interviews for the Consolidated Plan. He also mentioned that they convened through the 20-member CEDC Advisory Board about 4 times. Ms. Sturtevant added that they administered a citizen and business survey in February and received close to 600 responses. In response to a question from Council, Ms. Sturtevant advised that they had 44 human resource directors respond to a survey they sent out in May. Mr. Miller stated that the survey encompassed everything from small businesses to larger groups.

Mayor Morriss thanked LSA for the study, saying it was very comprehensive, covering the needs of the City in a lot of different areas, and said it was good to hear that some initiatives the City did in the last year fit into the housing study. He added that he liked that they contacted human resource directors, and said it was critical input. He also mentioned LSA's review of the City's Historic Preservation Commission, and said it's important that they understand and take into consideration that the idea is to streamline and make programs more available and not more difficult for people to renovate their properties.

Mr. Ochoa stated that historic preservation is neutral, it's how it's utilized, so it can be an economic benefit, but in the development process it can also be a barrier. He went on to say that they spoke with community organizations that provide and build housing and also spoke with small property owners, and said almost every group mentioned historic preservation as a barrier. He added that he believes the City understands the need to preserve historical resources, and stated that the focus needs to be on the details. Mayor Morriss invited Mr. Ochoa to watch a Historic Preservation Commission meeting.

Councilwoman Marchini stated that this housing study fits well with the existing economic development plan and repeats a lot of points from the Choose Cumberland website, from a housing perspective, from removing blight to the types of businesses and people the City wants to recruit. Ms. Sturtevant said it's testament to what Mayor Morriss said about how much good work was already being done. Mayor Morriss added that with the Baltimore Street redevelopment, and with using the old Allegany High School and Memorial Hospital sites for potential housing, it could turn the downtown around very quickly in the next few years, but stated that there needs to be a sense of urgency to get some of these projects completed as soon as possible.

Councilman Frazier asked about double taxation in the study, and if it creates a problem for potential housing. Ms. Sturtevant said they did take a look at property taxes in the City versus in the County, and talked about the pros and cons of building outside as opposed to

inside the City. She stated that there are unique things about the City that are to its advantage, and the value of those need to be marketed and demonstrated. She advised that double taxation was not the financial obstacle to building new housing, and stated that they need to get the word out that amenities are here in the City. Ms. Sturtevant discussed more people working from home now because of the pandemic, and stated that a greater share of the population are finding that they don't need to live near a big city as long as there is reliable high-speed internet access. The easy access of Police, Fire and Rescue was also discussed as something that should be marketed more. Ms. Sturtevant also discussed the importance of schools and child care, as millennials are getting older and have kids now. She also stated that with retirees, where there can be safe living is going to be a much bigger issue moving forward.

Ms. Sturtevant discussed disabled City residents, and said the study used mostly public data sources and the Census Bureau, which includes both physical and cognitive disabilities. She stated that 1 out of 4 residents in the City reports having a disability, and said that as the population gets older, the rate of disability increases. She added that this has increased in the City, but has declined in the County. She explained how the percentages get skewed with population decline, and said the City needs to broaden the population base so that those shares move back to where they were before.

Mr. Ochoa spoke about incentive programs, and he encouraged Mayor and Council to use them as a way of partnering with employers for down payment assistance programs. Ms. Sturtevant added now that the City and CEDC have engaged with the employer community, she feels that this could be the beginning of even more community partnerships. Mayor Morriss commented on the incentives to build on public-owned land that was in the study, and said to give developers the land at a nominal cost would be critical, as well as the down payment incentives. Ms. Sturtevant stated that it's really common to make the land available as a 99-year ground lease, and when you provide a public incentive it allows you to guide the development a little bit, which allows the City to have a say in what goes where.

Mr. Miller urged Mayor and City Council to take a thorough look at the study, and asked them to formally adopt this study as the City's housing approach, to give the CEDC and staff direction and guidance on these issues. The Mayor said that from his perspective this study is without a doubt something the City will be using as a guideline for a long time going forward, and said he will look into having it formalized. He said he would also encourage local business people to review the study, and said it was great work.

## **II. UPDATE ON EASTSIDE SCHOOL SITE DEVELOPMENT**

Mr. Rhodes advised that the City was in communication with the developer regarding the PILOT, seeing if they can get that wrapped up. Mr. Cohen stated that there are ways they are trying to approach it, but would rather not talk about it in this setting. He added that the developer has pretty much everything they need at this juncture, and the only thing left to discuss is the PILOT.

### **III. UPDATE ON BALTIMORE STREET ACCESS PROJECT**

Mr. Miller reviewed the two applications for funding being submitted to the Department of Housing and Community Development and advised on the funding amounts of \$125K of Community Legacy funds for installation of fiber, and \$450K of strategic demolition funds to be used for the sprinkler tap installations. He added that there were a couple other things he will be presenting in the near future, and advised that the Baltimore Street Work Group is meeting weekly now, and will continue to do so as the project nears completion.

### **IV. CUMBERLAND GATEWAY PROJECT**

Mayor Morriss advised that he had spoken with the developer, Ed Scott, who said he was planning to come to Cumberland, and asked Mr. Miller if he had heard anything. Mr. Miller advised that he had not heard from him lately, but had spoken to him via text message. He stated that he thinks Mr. Scott's plan is to come into town in the next week or two.

### **V. UPDATE ON FORMER MEMORIAL HOSPITAL SITE**

Mr. Miller stated that he spoke with the CEDC Board directors today and said he would like to outline the process how the CEDC acquires the land from the City. He said he has pitched a very rough draft to the board, where they would enter into a separate MOU with the City naming the CEDC as the sole marketing and promotion agent of the site, which would give them the sole ability to negotiate any dealings and vetting each proposal. Then the proposal would be presented to the Mayor and City Council for their approval or disapproval, and mentioned the proposals would have to meet certain criteria. He added that if the proposal is accepted, then the property would be acquired by the CEDC, and he provided additional information on the series of events that would occur. Mr. Miller stated that he will put something more formal on paper to be reviewed.

Mayor Morriss stated they can work their way through the MOU with the CEDC, but advised that the key is getting the RFP out there for what the City's overall desire is for that property going forward. Mr. Miller advised that he has been consulting with a firm that could do some potential renderings in terms of usage of what the City allows, with input from the CEDC. He stated that the housing study encourages incentivizing residential development through local, state, and federal programs, and said that the CEDC's incentive would be that they control the property. He said the property is valuable, and eventually will be an asset to the neighborhood. He added that he wants to lay out what the expectations are for the CEDC with respect to this, and once again said he will put together something more formal for Mayor and City Council.

### **VI. DISCUSSION REGARDING RECOMMENDED ACTION – 712 ELM STREET**

Mr. Miller provided background on the property 712 Elm Street, which was deeded to the City by accident. He asked to get some direction on whether or not the City wants the property, and added that he had spoken with the CEDC board today. Mayor Morriss stated

that the City may start dealing with First Peoples to give it back to them, which he thinks is the best thing to do from the City's perspective. He said, however, that if First Peoples should demolish the building and it becomes a vacant lot that would change his perspective. The Mayor said, though, to take a piece of property that would be a land-banked piece that the City won't get to for quite a while, it would be too far of a long-term opportunity for his taste.

Mr. Miller advised that the Civic Master plan they adopted names that area as a site for potential commercial use, which could make this a land-banking opportunity for that purpose. Mr. Miller stated additional reasons to accept the property that First Peoples was willing to donate, including having to buy it down the road if needed, and if it goes back to privately owned, the City has no control over what it becomes. He stated that he advocates for First Peoples, saying that they have also invested their money in their own projection of the neighborhood, so they, too, are invested. He said that he understands fiscal problems with the City, but stated that this would fall under the blight action plan and could be used for another purpose. He asked Mayor and Council to take all of this into consideration.

In answer to a question from Council, Mr. Miller stated that although he didn't know of any news with that area, he thinks the developer is readjusting their marketing strategy regarding the pandemic. He added that he thinks all the issues with property from the City's standpoint have been taken care of, and discussed First Peoples being a great community partner

Mr. Rhodes asked Mr. Miller how his board responded when he discussed this with them. Mr. Miller stated that it came down to financial resources and discussed razing and maintenance of the property, and doing an environmental study. He stated that the CEDC may be able to afford the maintenance, and possibly the demolition, but said that financial limitation is their reservation. He added that it's tabled at this point until they can see what they can afford, but said he's willing to maybe partner with the City.

Mr. Rhodes advised that it could cost approximately \$10K to raze the building, and approximately \$15K if there is asbestos. He stated that most of the properties in the area have asbestos. Mr. Miller stated that if it's combined with other demos in the area, the cost could be reduced. Both the Mayor and Mr. Rhodes advised that it would be a while before the City could take that structure down, and Mr. Rhodes stated that there were around 40 properties in between the Gateway project area and where 712 Elm Street sits, so quite a few properties would have to come down before getting to that one, if development occurs.

Mayor Morriss stated that he doesn't think it's the right thing for the City to take at this time. He said if this was a family that didn't have the money to maintain the building so that it deteriorated further, his stance would be different, but this is a financial institution that has the ability to demolish it, with the value of the property increasing in the future. He stated again that if First Peoples does the demolition, his stance can change dramatically.

Sharing cost with the bank was discussed, as well as offering them the City's landfill rate to save them money, but Mayor Morriss stated they would have to check on that. Matt asked if he should present First Peoples with a partnership regarding landfill fees. Mayor Morriss agreed, and Council concurred.

## **VII REVIEW OF DRAFT AGENDA – OCTOBER 20, 2020 PUBLIC MEETING**

Mayor Morriss quickly reviewed the draft agenda, and discussed the tabled Order regarding the Maryland Heritage Area application for a grant to do some renovations at the George Washington Headquarters cabin. Mr. Rhodes advised that Ms. McKenney reviewed it and it appears to be easement free. He suggested moving forward with it and to double-check the paperwork, and stated that similar funding years ago did not require an easement. All agreed to leave this Order on this week's agenda.

Mr. Rhodes reviewed the Orders on the draft agenda:

Order 26725 – authorizing execution of a 3-year salt agreement with the MD State Highway Administration for distribution of salt and/or aggregate during winter storm events for the period 9/1/20 through 8/31/23.

Order 26726 – appointing Betsey H. Schwab to the Administrative Appeals Board for a 3-year term effective 9/30/20 through 9/30/23.

Order 26727 – authorizing the Chief of Police to accept an FY21 Byrne Justice Assistance Drug Enforcement Program Grant in the amount of \$58,820 for overtime and equipment to develop and implement strategies to reduce drug-related crime and overdose deaths in the community.

There were no questions from Council.

Councilwoman Marchini noted that Chris Fraley, former officer for the City, is being honored for his work with the Dare Program in Mineral County tomorrow at the Mineral Board of Education.

## **VIII. ADJOURNMENT**

With no further business at hand, the meeting adjourned at 6:20 p.m.

Respectfully submitted,

Marjorie A. Woodring  
City Clerk



Minutes approved November 4, 2020