

CITY OF SALISBURY
WORK SESSION (VIA ZOOM MEETING)
JUNE 15, 2020

Public Officials Present

Council President John “Jack” R. Heath
Councilwoman Angela M. Blake

Council Vice President Muir Boda
Councilwoman Michele Gregory

Public Officials Absent

Mayor Jacob R. Day
Councilwoman April Jackson

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Business Development Director Laura Soper, Department of Infrastructure and Development (DID) Director Amanda Pollack, Sustainability Coordinator Alyssa Hastings, Colonel Dave Meienschein, City Attorney Mark Tilghman, and City Clerk Kimberly Nichols

On June 15, 2020 the Salisbury City Council convened in a Work Session at 4:30 p.m. The following is a synopsis of the topics discussed:

Comprehensive Connection Charges Discussion

DID Director Amanda Pollack continued the discussion from the June 1st Work Session on the City’s Comprehensive Connection Charges. The City Code outlines the different charges that the City charges to those hooking onto the water and sewer system for the first time. The City hired a consultant to examine how those charges were assessed two years ago as part of an overall look at the water and sewer rate plan.

Ms. Pollack reviewed the summary document with Council. The **Water and Sewer Capacity Fees**, per the City Code, were based on the 10-year CIP, which has not been adopted in recent years. The **Central System Line Fee** was currently based on the size of the property, not water and sewer use. This raised a red flag with the consultant because the fee had no bearing on what type of water and sewer a property would use. The consultant recommended combining both the **Capacity Fee** and **Central System Line Fee** into one fee called a **Connection Fee**, to be based on the value of the system. People would buy into the actual value of the system.

Other changes explained by Ms. Pollack included the **Sewer Connection and Water Meter/Tap Fees**. This was the fee charged by the City when the Utilities Division of Field Ops performs sewer connections. The code update would rename the fee as a more literal **Sewer Lateral and Water Meter/Tap Fee** and Field Ops could continue performing the work, or the homeowner could contract the work to be done by a contractor.

Ms. Pollack explained the code also had **Facility Fees** and **Line Fees**, both essentially did the same thing - reimbursing for extended infrastructure no matter if it was the City or private developer. She

said the names **Facility Fee** and **Line Fee** did not automatically explain what they were used for, and proposed the rename that **Infrastructure Reimbursement Fee**. It would still work in the same way. If a developer extended a line for their business and other people tie into it, then they would pay a proportionate share of the cost of that infrastructure.

For the **Connection Fees**, the consultant had provided DID with an estimate of what it would be based on the current value of the system. The number was much higher than the current charges for Capacity Fees, but they could consider phasing in the fee in steps, over a period of time.

Ms. Pollack discussed recommended changes to the Code for the three Incentive Programs the City currently had – the Affordable Housing, Development and Redevelopment EDU Waiver, and the Single-Family Permit Fee Waivers.

Ms. Pollack said she wanted to ensure DID was headed in the right direction before beginning code changes.

Mr. Boda asked how long the phase in period was going to be recommended for the Connection Fees. Because the difference in the price would be almost tripled, Ms. Pollack said she would not want to do anything to jeopardize development and thought it would be at least a five-year phase in depending on the economy. He asked what they would do about the Reimbursement Program if the company that put it in was out of business. Ms. Pollack said it was not transferrable, but they had not had that happen. If it did happen, they would forfeit the reimbursement.

Regarding the new approach being similar to a cost-based system, President Heath asked how the City would keep the ordinance live going forward as the City's costs changed. Ms. Pollack said the ordinance was written with an equation (the value of the system less any debt or grants, divided by the capacity). It could change over time, and was different for water and sewer. The wastewater capacity was not changing any time soon since the plant was just upgraded. With the water system, having a new well coming online and any major occurrence or major new improvement, the City would re-evaluate the value of the system and capacity. Ideally, this would be part of the annual budget process when the fees were set.

Ms. Pollack said the next step would be to work on the ordinance and return to Work Session for Council's approval prior to advancing the Legislative Session.

Council reached unanimous consensus to advance the legislation as Ms. Pollack suggested.

Ordinance accepting grant funds from a FY20 DHCD Operating Assistance Grant

Business Development Director Laura Soper reported on a grant acceptance from the Maryland Department of Housing and Community Development (DHCD), Main Street Improvement Grant program in the amount of \$40,000. Ms. Soper said the City applied for the funding grant April 2019 and was originally purposed for the 2020 National Folk Festival which was postponed due to the COVID-19 pandemic. DHCD asked all recipients of the funding if they wanted to repurpose some of the funding. A reallocation plan was created whereby the City would reimburse \$24,494.66 for expenses already incurred by the FY20 National Folk Festival (NFF). \$3,000 would go towards the

office rent for the Director of the National Folk Festival and the remaining \$12,505.34 would be reallocated towards the COVID-19 Microgrant program.

Mr. Boda wanted to ensure it was legal to reallocate the funds, and Ms. Soper assured Council she had in writing from DHCD that they could use the NFF c/o Arts and Entertainment District as the non-profit and pass through.

Council reached unanimous consensus to move forward with the ordinance.

Ordinance accepting a donation from Delmarva Power for COVID-19 Emergency Micro-Grant

Ms. Soper discussed accepting a donation from Delmarva Power in the amount of \$25,000 to be used in the existing COVID-19 Micro-grant Program. Delmarva Power approached the City with interest in providing funding to help businesses that were negatively impacted by the pandemic. It was decided to add the funding to the City's existing program. She recognized Mr. John Allen from Delmarva Power present in the Zoom Meeting and thanked him and Delmarva Power.

Mr. Allen thanked Ms. Soper for engaging Delmarva Power as they struggled to identify what organizations were able to assist small businesses in the community. The funding was from shareholder monies.

President Heath thanked Mr. Allen and Delmarva Power for helping out the City's small businesses, which took a big hit with the pandemic. He hoped they would all come back, and this donation will assist the City in helping them rebuild their businesses.

Council reached unanimous consensus to advance the donation to legislative agenda.

Acceptance of a Chesapeake Bay Foundation Grant for a Tree Canopy Study

Ms. Pollack reported on the grant through the Chesapeake Bay Foundation. The City is one of six local jurisdictions sharing a Circuit Rider for Stormwater projects as part of the Healthy Waters Roundtable Work Group. The Circuit Rider is employed by the Chesapeake Bay Foundation and funded by the six jurisdictions, the Maryland Department of the Environment and with a National Fish and Wildlife Federation (NFWF) Grant. As part of the program, each jurisdiction received funding to implement a project, which could include a study, design or construction. Salisbury chose to use the \$69,866.60 grant funds on a Tree Canopy Study. The City would utilize a vendor from the Stormwater Support Contract to complete the study. The grant amount was based on the actual scope of work for the study. The funding needed to be spent by the end of the calendar year.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Ordinance authorizing the Mayor to enter into a contract with the Bureau of Justice Assistance for the purpose of accepting grant funds in the amount of \$15,000, and approving a budget amendment to the FY 2020 Grant Fund to appropriate funds for offsetting remote camera equipment

Colonel Dave Meienschein reported the \$15,000 in grant funding was awarded through the Governor's Office of Crime Control and Prevention (GOCCP) to purchase a mobile camera. This has currently been acquired and used for special events such as the NFF. The Salisbury Police Department (SPD) would be able to get multi-years of use out of the system. The camera would not be used for covert operations or crime prevention.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Additional Capacity Fee Waiver request for 206 East Market Street (Lot 16 and Beer Garden)

Ms. Pollack said the Capacity Fee waiver request was for the Lot 16 development. Developer Bret Davis recently requested consideration for an additional Capacity Fee waiver for the redevelopment of 206 East Market Street, which was formerly Parking Lot 16 and will be developed into a mixed-use apartment complex. Davis Strategic Development has recently acquired the adjacent parcel, planned to be a Beer Garden. The new project will include 49 apartments and Beer Garden.

The Lot 16 apartment project received a capacity fee waiver of 37 EDUs in May 2019, and the new request was for 56 EDUs, which would represent an increase of 19 EDUs.

Ms. Pollack reported the owner sought a Capacity Fee waiver as part of the Equivalent Dwelling Unit (EDU) Incentive Area. The original allocation of 300 EDUs was based on a transfer of EDUs from the former Linens of the Week property. To date, 252.54 EDUs of the original allocation of 300 EDUs have been used, therefore there were 47.46 EDUs available. DID evaluated the eligibility of the project for the EDU Incentive Area. The project location was within the Central Business Zoning District and would consist of redevelopment not eligible for an affordable housing waiver. The project would comply with all other necessary criteria.

Ms. Pollack said upon approval of the waiver, the City would have 28.4 EDUs available.

Council reached unanimous consensus to advance the request to legislative agenda.

Ordinance to accept grant funds from the Maryland State Office of Crime Prevention, Youth, and Victim Services in the amount of \$24,200.00 under the FY20 Police Recruitment and Retention Program (PRAR) and amending the FY2020 Grant Fund Budget to appropriate these grant funds for payment of retention bonuses to eligible Salisbury Police Officers

Colonel Meienschein said SPD applied for the grant and it was the first time the GOCCP offered a grant for the purposes of retention of officers. Officers tend to move to other agencies from years 3 to 5 and then from years 6 to 8. Twenty-seven officers were represented in the two groups currently. This funding would provide a \$1,000 retention bonus for those officers in the 3 to 5-year category, and \$800 for those in the 6 to 8-year category. A contract was developed for the officers in receipt of the funds to agree to remain with the City for a period of one year.

Council reached unanimous consensus to advance the ordinance to legislative agenda.

Council Remarks

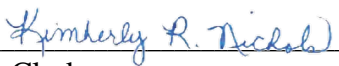
Mr. Boda requested discussing No Knock Warrants at the next Work Session and making Salisbury a 4th Amendment Sanctuary City.

Ms. Blake asked everyone to give blood if they were healthy.

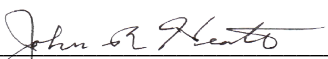
Ms. Gregory said that she and Mr. Boda discussed the No Knock Warrant and she was glad that Council would discuss it. She was looking forward to the renaming of Broad Street.

Adjournment

With no further business to discuss, the Work Session adjourned at 5:07 p.m. Council immediately convened in a Special Meeting.



City Clerk



Council President