

CITY OF SALISBURY, MARYLAND

SPECIAL MEETING #1

JUNE 5, 2023

PUBLIC OFFICIALS PRESENT

*Council President Muir W. Boda
Council Vice President April Jackson
Councilmember Michele Gregory*

*Mayor John R. Heath
Councilmember Angela M. Blake
Councilmember Megan Outten*

IN ATTENDANCE

City Administrator Andy Kitzrow, Ethics Commission Chair Neill Carey, Ethics Commission Member Dr. Timothy Stock, Acting Police Chief Dave Meienschein, Retired Police Lieutenant Peter Tyler, Field Operations Director Michael Dryden, Department of Infrastructure and Development (DID) Director Rick Baldwin, Arts, Business & Culture Department (ABC Dept.) Director Allen Swiger, City Clerk Kimberly Nichols, City Attorney Ashley Bosché, and interested members of the public

The City Council convened in a Special Meeting at 4:30 p.m.

PROCLAMATION

Mayor Heath invited Lieutenant Peter Tyler to the podium and presented the proclamation declaring May 30, 2023 as Peter Lloyd Tyler Day. Lieutenant Tyler was retiring after 30 years of dedicated law enforcement service. He began his career with the Salisbury Police Department on August 21, 1993, served within the Operations Division and rose through the ranks to become Police Lieutenant where he mentored less experienced officers and supervisors, served as Field Training Officer, and was on the Tactical Unit and Community Action Team.

ADOPTION OF LEGISLATIVE AGENDA

Ms. Jackson moved, Ms. Blake seconded, and the vote was unanimous to approve the Special Meeting agenda as presented.

PUBLIC HEARINGS- FY24 BUDGET / CONSTANT YIELD TAX RATE- presented by City Attorney Ashley Bosché

Constant Yield Tax Rate

Ms. Bosche presented the information on the Constant Yield Tax Rate.

At 4:41 p.m. President Boda opened the public hearing. The following comments were received from eight members of the public, who were all sworn in:

- The City dug itself in a hole and now had to raise taxes. We started off with a proposed budget with an almost \$5.5 million illegal fee that has been struck out after objection.*

Taxes would be raised this year and probably the next years to come.

- *Speaker disliked the City raising costs and said she felt as if she was being blackmailed. There was too much fluff in the budget and the City needed to provide basic service for all of the citizens and not focus primarily on the Downtown while the rest of the City suffered. The Arts and Entertainment District cost a fortune and did not benefit her, fix the potholes, or the rough road in front of her home. She did not like to see the Police Department's vehicles cut, and thought the City could cut other things. It should be determined if the City needed a Folk Festival and the parks in every community needed maintenance. There were things she could not give up and asked the City to give up the little things that were not necessary to providing health and safety for the citizens. She was not the only senior in the City of Salisbury not knowing what to do. Please do what had to be done to get rid of the fluff.*
- *Speaker was retired on a fixed income and wanted to know where she would get the extra money and showed her checkbook. All of her bills kept going up. She had to cancel her dentist appointment, doctor's appointments and decide which medication she could afford to get. She agreed with the first speaker and said the City had dug itself in a hole. Grants were great but when they ran out it cost the City additional money. Citizens were being double taxed. The City did not know how to run their finances.*
- *The City may have to declare bankruptcy and be absorbed into the County at the rate it was going. One quarter of the citizens were below poverty level. The other 75% and businesses were bankrolling the City, while developers building downtown got to avoid paying upwards of \$40 million in taxes and more over the years while our property taxes were being proposed to go up by 5%. That would put Salisbury as one of the highest taxed municipalities in Maryland, which already had one of the highest property tax rates in the nation. Property tax assessments increased an average of 25% recently and they were already paying 25% more taxes than three years ago. There were hundreds of people listed in the Independent unable to pay their property taxes. The big developer freebies were not in the City's low-income areas, they were only in Downtown. The less fortunate neighborhoods would not benefit directly. The City employees needed to be compensated well, and the City needed to maintain what it already offered. Cut out new structures such as a parking garage. We really have a nice place here- low skyline, open views, water way activities, Maryland's second largest Port City, amazing fauna- all already located Downtown or nearby. It was unwise of a small, isolated Peninsula town like Salisbury to try to follow mainland, metropolitan, urban planning goals, especially theories such as to build more houses in order to have more people to build a bigger tax base. It was very risky here. The resources and transportation network and adding thousands more jobs needed for these new people was not here. Why were we focusing on building 6,000 more housing units? Let's accept mid-Delmarva, land of pleasant living, and keep it the way it was, and affordable. It was really alright not to have urban sprawl, traffic congestion and long lines at supermarkets and restaurants. That, and a low cost of living would attract newcomers. Keep goals manageable and keep the citizens informed.*
- *Speaker was concerned that some people would be hurt by the decisions that they had to make. Having to come up with more money to balance a budget was the way it seemed to go but speaker said the City should tighten its budget and identify what was unnecessary. She thought necessities were Police, Fire, EMS, traffic congestion devices, electricians,*

and carpenters, and did not consider pop up events in communities to give pencils and hotdogs a necessity. She said the Homeless Care Coordinators was not necessary to conduct outreach among the Wicomico County homeless population. That job was the responsibility of the Wicomico County Social Services Department, not the City of Salisbury. The care of the elderly and adults at risk fell on the shoulders of Wicomico services, not a City employee with a bachelor's degree in the Human Service field listed as paying from \$33,990 to \$36,792. There were three in the budget that came with travel expenses, cars and all the expensive resources of that caliber. Funding bus operators to transport people Downtown so that they could enjoy the amenities did not help because her rental clients could not get to work because there was no viable transportation other than Uber or the scooters. A decent bus system was needed. As nice as they were, she did not think hiring people to operate the Outreach Centers for the Youth was wise if they couldn't afford it. Let's get our house in order first and then return to work on these amazing facilities. Was a Splash Pad needed Downtown if nobody had a place to park to get to it or beautiful festivals if there was no parking? The City had no more viable parking lot structures to sell, and she didn't see in the budget where \$75,000 was added in after we got the resource from the sale of the Flea Market parking lot, where a lot of her clients bought things. There were 19 advertised jobs at the City. Cut out the fluff.

- Speaker moved to Salisbury five years ago and this was the first time she heard about property taxes being raised. As a City grew it was challenging to both the ones planning it and the citizens but there had to be a dialogue to keep the progress going in a healthy direction. She said she would be back and would be watching and listening.*
- City Clerk Nichols swore in a citizen on Zoom who said he was a local investor and owned properties. Last year there was a sizeable increase in assessments. The tax bill increased then, and we would be having a hard time coming up. He thought the City should re-think this process and thanked Council for their service.*
- Speaker said everything was going up. Those in business were trying to hold the line where they could, and Council had a fiduciary responsibility to steer the City to a place where we were financially competitive. They City has crossed over the line where the tax rates and tax revenue that was being pulled out of the citizens and businesses would cause harm, and that was what they were hearing tonight. The higher taxes were being pushed now, revenues would begin to decrease. Modest increases in increments were necessary, and do not touch that surplus. The businesses were starting to feel it and they thought they were a leading indicator that there were some tough economic times ahead.*

The Public Hearing for the Constant Yield Tax Rate was closed at 5:13 p.m.

Ordinance No. 2802- *appropriating the necessary funds for the operation of the Government and Administration of the City of Salisbury, Maryland for the period July 1, 2023 to June 30, 2024, establishing the levy for the General Fund for the same fiscal period and establishing the appropriation for the Water and Sewer, Parking Authority, City Marina and Storm Water Funds*

Ms. Bosché presented Ordinance No. 2802, as amended. President Boda opened the Public Hearing at 5:16 p.m. and the following comments were received from two members of the public who were sworn in:

- *People were unhappy that they were unable to review the new proposed budget. Speaker were not happy about raising the tax rate but unfortunately where the City had placed itself, it was necessary. He asked about the \$1,964,000 from the County that was not in the original proposed budget, and if it had been agreed upon with the County. If not, that was a \$900,000 difference. If the City only received the \$1 million which was the word on the streets, then the City would need an additional \$900,000. It appeared the starting salary for Police Officers and trainees was \$55,000 and he hoped so. In the first proposed budget it was \$51,000. The County paid \$55,000 for starting Deputies. This would add to the revenue the City needed and that was why taxes had to be raised. More revenue sources had to be found and the HORIZON Program had to be stopped.*
- *The direction the City was going the last couple of years has benefited Downtown developers rather than looking after the citizens who voted for them and employees who needed raises to live. There were millions of dollars in tax giveaways with HORIZON and land giveaways in Downtown Salisbury. This was not a wise use of the properties. Prioritize its employees who keep the City safe and functioning. Don't take money from taxpayers and give to developers who don't live in the City. "Growth pays for growth."*

The Public Hearing for Ordinance No. 2802 was closed at 5:25 p.m.

Ordinance No. 2803- *to amend Water and Sewer rates to increase rates by 10% and making said changes effective for all bills dated October 1, 2023 and thereafter unless and until subsequently revised or changed*

Ms. Bosché presented Ordinance No. 2803, as amended. President Boda opened the Public Hearing at 5:26 p.m. and the following comments were received from three members of the Public who were sworn in:

- *Speaker said water bills went up every year and she did not use a large amount of water. She was a single, responsible person who paid her bills. Certain developers did not have to pay for their water. Don't increase anything and maintain what we already have.*
- *Speaker said the City got her over a barrel again because if she didn't pay her bill she did not have water and she felt helpless and hopeless.*
- *Speaker said it was the minimum bill that would be offensive and asked Council to consider dropping the minimum bill. Smaller families and single families could be lower than larger families.*

The Public Hearing for Ordinance No. 2803 was closed at 5:31 p.m.

Ordinance No. 2804- *to set fees for FY 2024 and thereafter unless and until subsequently revised or changed*

Ms. Bosché presented Ordinance No. 2804, as amended. President Boda opened the Public Hearing at 5:34 p.m. and as there were no requests to speak, immediately closed the Public Hearing.

PUBLIC COMMENTS

The following comments were received from two members of the public:

- *Speaker said she completed a PIA request to see the repair and work orders for the stop light through a PIA request, as well as the Army Corps of Engineers report that was cited in the public notice stating that the sight lines were fine at the intersection and the study deciding the stop light was not needed. The intersection at South Boulevard and Camden Avenue was a very difficult intersection to see around. She described each corner (wall and hedge). The intersection functioned for over fifty years very well with a stop and go light. Then it became a stop and caution light, then it became a rumble strip intersection, and now the rumble strips have been removed and it has become a four way stop with a blinking light all the way around. There was still a sign that said “no turn on red.” There was a sign that blocked the view of one of the stop signs and a speed indicator that displayed the oncoming vehicles’ speeds. Lines that have been painted in the street have not been updated. The light was working until someone “tinkered” with it and stated that she was told it was too expensive to replace it. If it was needed for public safety, it needed to be fixed. The stoplight needed to be replaced the way it was.*
- *Schumaker Manor and Schumaker Drive near Parkside High School needed to be repaved. There was no walkways and it was amazing that nobody had been hit.*

Mr. Boda said that many of the homes were in the County in that area. Mr. Kitzrow shared that conversations with the County had taken place about some of the streets that were both City and County, and both of their schedules reflected they would share in the paving.

ADMINISTRATION AND COUNCIL COMMENTS

Mayor Heath said he appreciated all of the comments. He reminded everyone that the inflation for the City was no different from the inflation the public was experiencing, and as an example he noted the increased cost of chemicals for the Water Plant. He said that Administration and Council cared and the budget was not easy for anyone sitting at the table.

Mr. Kitzrow appreciated the full room and asked the public to keep coming out.

Ms. Outten shared the aforementioned sentiments to keep attending Council meetings. She and the other members of Council were listening to them and knew how it impacted everyone.

Ms. Blake asked those healthy enough to donate blood. One pint of blood could save three lives.

Ms. Jackson said that Council understood the comments, and that it was not easy. The budget also impacted her and her children. She was on a fixed income, too. They had to come to a decision and sometimes agree to disagree. She asked for the truth about the light on South Boulevard and Camden Avenue, and did not think they had been informed. Give Council the opportunity to get this on track. She asked for the property value of the Marina land, and asked

why the City was leasing it for \$1. The City was giving away land when they could sell it.

Ms. Gregory wished all of her LGBTQ friends a happy Pride month. She was with Mayor Heath when they raised the Pride Flag and it looked beautiful going up. It was good to see so many people there. This budget was not easy for any of Council and they appreciated the public coming out, paying attention and engaging. Regarding the tax cuts for the developers, the City was in a housing crisis and they had to make the banks want to invest. The prior Mayor and Council did everything they could to ensure that housing was being built. Because of inflation, renters were paying Baltimore prices for rent in Salisbury. There was too much demand for too little supply and they had to do something about it. This was one of the solutions they created.

Ms. Jackson said she attended several Memorial Day celebrations on Monday and Tuesday and was happy the City and County honored their fallen veterans. She thanked those who sponsored any act of kindness for our veterans.

President Boda shared that anyone having trouble paying their water bill could go to Finance and apply for the hardship fund. If anyone had trouble paying taxes, speak with the Finance team and ask if they could work with them. He reminded this was not only Pride Month but National Safety Month. Work safe and work smart. If you need help, ask for help. Take breaks and stay hydrated. The Pride Parade and Festival were scheduled for June 24th in Downtown.

ADJOURNMENT / CONVENE IN WORK SESSION

With no further business to discuss, Special Meeting #1 adjourned at 5:57 p.m. and Council immediately convened in the Work Session.

Kimberly R. Nicholas

City Clerk



Council President