

Mayor and Council Work Session October 14, 2014 Agenda

*"A diverse, business-friendly, and sustainable community with clean, safe and strong neighborhoods."
"Providing the most efficient and highest-quality services as the municipal location of choice for all customers."*

"Look for a way to lift someone up. If that's all you do, it's enough." Elizabeth Lesser

4:00 PM WORK SESSION

1. Proclamations: Conflict Resolution Day
Character Counts! Week
National Community Planning Month
Fire Prevention Month
- 4:10 PM** 2. 2014 Hagerstown Ice and Sports Complex Annual Report
- 4:30 PM** 3. Mayor and Council Comment and Review of McCleary Hill
- 5:00 PM** 4. Unattended Donation Containers
- 5:15 PM** 5. Bloom-Carlile Fund - FY 15 Funding
- 5:25 PM** 6. Workers' Compensation Program and Staffing
- 5:45 PM** 7. Competitive Negotiated Sale Recommendations 19-23 W. Antietam Street

CITY ADMINISTRATOR'S COMMENTS

MAYOR AND COUNCIL COMMENTS

ADJOURN

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

Proclamations: Conflict Resolution Day
Character Counts! Week
National Community Planning Month
Fire Prevention Month

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

2014 Hagerstown Ice and Sports Complex Annual Report

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

📎 [Ice Rink Memo.pdf](#)

Description

2014 Hagerstown Ice
and Sports Complex
Annual Report



CITY OF HAGERSTOWN, MARYLAND

Department of Parks and Engineering

October 10, 2014

TO: Bruce Zimmerman, City Administrator
FROM: Rodney Tissue, City Engineer *RT*
RE: 2014 Hagerstown Ice & Sports Complex Annual Report

I request time on the October 14, 2014 Work Session to allow members of the Hagerstown Ice Amateur Athletic Association (HIAAA), who have managed the facility for us since April, to present their annual report. I anticipate that Paul Sweeney (Board Chair), and others will attend and will review the attached PowerPoint presentation. Their presentation will provide usage data, annual fiscal information, capital improvement information, and goals for the upcoming year.

I also wanted to highlight the "Rededication & Grand Reopening Celebration" Saturday, October 18th. Attached is a flyer of the event.

Attachments: Powerpoint
Event Flyer

c: Paul Sweeney
Junior Mason

1100

Annual Review: Hagerstown ICE & Sports Complex

October 14, 2014



Who uses the HISC?



Washington County North Stars

Hagerstown Adult Recreational League

Mayhem Women's Hockey Team

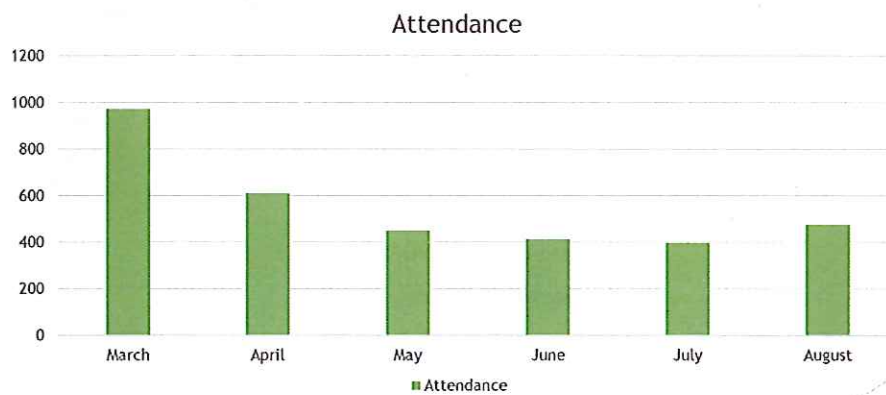
Adult Novice "C" Hockey League

Rink is managed by the Hagerstown Ice Amateur Athletic Association

What is the HIAAA?

- ▶ HIAAA is a non-profit, 501(c)(3) organization
- ▶ Consortium of all major user groups
- ▶ Each group has a voting member on the HIAAA board
- ▶ 3 at-large members also hold voting rights
- ▶ Group was created in 2014 and formally took over operation of the rink on April 1, 2014

Public Skating: Summer months



Adult Teams at the HISC

- ▶ **6** teams in upper adult hockey division
 - ▶ **6** teams in lower adult hockey division
 - ▶ **2** teams in developmental adult hockey division
 - ▶ **1** all-female travel adult team
- ▶ **~150** adult hockey players

Amateur teams at the HISC

- ▶ **6** HYHA teams (Hagerstown Youth Hockey)
 - ▶ **2** NorthStars teams (high school hockey)
 - ▶ **2** youth developmental programs
 - ▶ **Pond Hockey**
 - ▶ **Learn to Play Hockey**
- ▶ **100+** youth hockey players

Figure Skating at the HISC

- ▶ **2** figure skating programs at the rink
 - ▶ Hagerstown Edge Learn to Skate
 - ▶ Hagerstown Edge Figure Skating Club

- ▶ **~100** figure skaters

HIAAA: Opportunities for Success

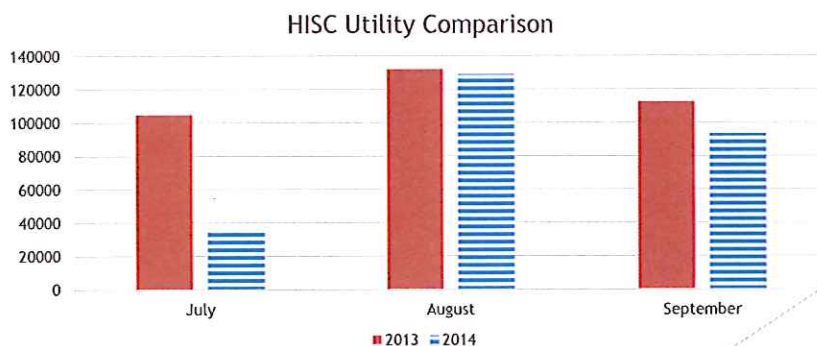
- ▶ Detailed analysis of separate rink functions were examined by HIAAA board members (registrations, ice usage, concessions, advertising, maintenance)
- ▶ Recommendations made at monthly board meetings
- ▶ Few (if any) SOPs in place before take-over; new implementations currently increasing productivity
- ▶ Physical state of ice and boards in critical condition at time of HIAAA take-over; major repairs undertaken in June and July

Current State of HISC and HIAAA

- ▶ All bills (as of October 2014) are current
- ▶ Major ice repairs this summer (\$30,000) are paid off
- ▶ Currently a small surplus in the account
- ▶ HISC account is in the black even though no funds have been transferred from the old HYHA account (previous group contracted to manage rink)

Example of HIAAA cost-saving measure

- ▶ Chart shows utilities from two separate periods
- ▶ Comparison of July-September 2013 & 2014
- ▶ Approximately a 25% savings in Water/Sewer



Over 90,000
gallons
reduced in
this 3 month
time period

Hagerstown Ice & Sports Complex

Rededication & Grand Reopening Celebration

Saturday, October 18

Schedule of Activities:



1:30 - 6:30pm	Information Tables Available
2-3pm	FREE PUBLIC SKATE
3pm	Ribbon Cutting Ceremony
3:30-3:50	Mites ice hockey & Figure skating demonstration
4-4:50pm	FREE PUBLIC SKATE
5-5:20pm	FREE Learn to Figure Skate or Learn to play Ice Hockey
5:30-6:30pm	FREE PUBLIC SKATE

Bring a friend! Come enjoy the **FREE** skating, raffles, demonstrations & fun for the entire family!

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

Mayor and Council Comment and Review of McCleary Hill

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

	File Name	Description
📎	McCleary_Hill.pdf	Mayor and Council Comment and Review of McCleary Hill
📎	McCleary_Hill.docx	Mayor and Council Comment and Review of McCleary Hill



MARTIN O'MALLEY
Governor

ANTHONY G. BROWN
Lt. Governor

CLARENCE J. SNUGGS
Acting Secretary

September 30, 2014

The Honorable David S. Gysberts
Mayor of the City of Hagerstown
One East Franklin Street
Hagerstown, MD 21740

RE: McCleary Hill Phase I

Dear Mayor Gysberts:

The Maryland Department of Housing and Community Development ("DHCD") administers the federal Low Income Housing Tax Credit program and other rental housing finance programs in accordance with applicable federal and State laws. These programs provide financial assistance for the development and/or preservation of affordable rental housing in Maryland. These rental housing developments generally are owned and operated by private sector for-profit or nonprofit entities. DHCD financing is provided directly to the organization or entity that will own and operate the project.

DHCD has received an application from the sponsor of the above-named project for financing of the project through the federal Low Income Housing Tax Credit program, Multifamily Housing Revenue Bond program and/or other programs of DHCD. A description of the project and the requested financing is attached.

Under State and federal law, DHCD is required to provide written notice of the application and a reasonable opportunity to comment to the political subdivision in which a proposed project is to be located. If the project is located in a municipal corporation, the notice is required to be sent to the municipal corporation and not to the county. The written notice is to be sent to the political subdivision's highest elected public official and to the head or president of the political subdivision's legislative body. Accordingly, this notice of DHCD's intent to review this project for financing and a summary of the project is attached for your review.

The political subdivision has 45 days from the date of this letter to review the project and DHCD's proposed financing for the project and provide comments, if any. DHCD will consider the comments received in its review of the application. If you have any questions or would like more information about the project, please feel free to call me (410) 514-7537. We look forward to any input you may have as we proceed to evaluate the application.

Sincerely,

Brian O'Toole
Deputy Director
Rental Lending
(410) 514-7537
BOT: tc
Enclosures



MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
100 Community Place, Crownsville, Maryland 21032 www.mdhousing.org
(p) 410-514-7400 (f) 410-987-4097 1-800-543-4505 TTY/RELAY 711 or 1-800-735-2258

LOCAL GOVERNMENT NOTIFICATION
PROJECT SUMMARY

DATE OF APPLICATION	<u>09/09/14</u>
NAME and DESCRIPTION OF PROJECT	<u>McCleary Hill Phase I/Townhouse</u>
ADDRESS OF PROJECT	<u>1113 Linwood Rd, Hagerstown, MD 21740</u>
DEVELOPER & DEVELOPER'S CONTACT INFORMATION	<u>Housing Authority of the City of Hagerstown</u> <u>35 W. Baltimore St., Hagerstown, MD 21740</u> <u>David Kump/ Director of Special Projects</u> <u>Phone: (301) 733-6911 Fax:</u>
AMOUNT OF FUNDING OR LOW INCOME HOUSING TAX CREDITS (LIHTC) REQUESTED: DHCD PROGRAM(S):	LIHTC <u>\$ 1,121,621</u>
Multifamily Bond Program (MBP)	
Rental Housing program (RHP)	PRHP <u>\$2,750,000</u>
Federal HOME Program (HOME)	
Rental Housing Works (RHW)	RHF <u>\$2,000,000</u>
Partnership Rental Housing Program (PRHP)	
Energy Lending Program (EmPower or CIF)	
OTHER SOURCES FINANCING (amount, type & provider)	CONVENTIONAL LOAN <u>\$932,174</u> OTHER <u>\$1,000,000</u> DEVELOPER'S DEVELOPER FEE <u>\$689,212</u>
TYPE OF PROJECT	<u>X</u> NEW CONSTRUCTION <u> </u> ACQUISITION <u> </u> ACQUISITION AND REHABILITATION <u> </u> REHABILITATION
TOTAL NO. OF UNITS	86
NUMBER OF UNITS RESERVED FOR FAMILIES OF LIMITED INCOME, INCLUDING THE INCOME AND RENT LIMITS:	<u>100</u> % OF TOTAL UNITS <u>16</u> UNITS @ or below 40% AREA MEDIAN INCOME ("AMI") <u>61</u> UNITS @ 30% AMI or below OTHER: <u> </u> ELDERLY <u> </u> UNITS <u>X</u> HANDICAPPED/DISABLED <u>5</u> UNITS

(Included in total Units)

X FAMILIES 86 UNITS

X MARKET RATE 9 UNITS

PROPOSED RENT LIMITS

X 30% OF IMPUTED INCOME LIMIT FOR
LOW/MODERATE INCOME UNITS

\$ 477-650 1 BR \$ 555-750 2BR

\$624- 850 3BR

 30% OF TENANT'S ACTUAL INCOME FOR
LOW/MODERATE INCOME UNITS

X MARKET RATE:

\$850 2BR

BRIEF NARRATIVE DESCRIPTION OF PROJECT:

The subject site, McCleary Hill, is planned as a comprehensive redevelopment of Noland Village, an aging townhouse apartment community owed and operated by Hagerstown Housing Authority. At present there are 250 homes and a community center on nine courts in this 26.22 acre site. The proposed master plan calls for the redevelopment of the five phases. Phase I is actually new development on an adjacent 14.81 acre parcel recently acquired by the Housing Authority.

Phase I will include 16 buildings, totaling 86 units, designed architecturally to look like townhomes, including single level flats on first and second floors in some models. There are eight unit floors plans proposed in one-bedroom to five-bedroom formats. All of the buildings will be two-stories, but some may have dormers in the attic spaces for effect.



CITY OF HAGERSTOWN, MARYLAND

Department of Community & Economic Development

TO: Bruce Zimmerman

FROM: John Lestitian, Director DCED

DATE: 10/09/2014

RE: Hagerstown Housing Authority – McCleary Hill Phase I

The Hagerstown Housing Authority has submitted an application to the Maryland Department of Housing and Community Development (DHCD) to fund Phase I of the proposed redevelopment of Noland Village. The City has received correspondence from DHCD seeking comment on the proposed redevelopment and corresponding application for funding.

Ted Shankle, HHA's Executive Director, and respective HHA staff are scheduled to present details of their plan to the Mayor and City Council at the Work Session on October 14, 2014. Detailed hand-outs will be distributed at that time. Mr. Shankle will also be available for the Work Session on October 21st, should the Mayor and City Council have follow-up questions on the redevelopment, application or related issues.

City staff will also be present should there be questions related to City codes, ordinances or policies.

REQUIRED MOTION

MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

Unattended Donation Containers

Mayor and City Council Action Required:

Discuss possible options to address problems caused by unattended donation containers and accumulations of uncontained materials at their periphery.

Discussion:

Staff will be present at the October 14th work session to discuss concerns related to unattended donation bins and options available to us to address this issue. As we see it, we have a couple of avenues we can pursue:

1. Amend Chapter 200, Sanitation, to add a provision for treating materials scattered around the outside of unattended donation containers as refuse and therefore subject to a code violation and the requisite remedies to right the situation.

2. Amend Chapter 185, Nuisance Abatement, to add “unattended donation container” to the definitions and to the list of prohibitions. As Councilman Aleshire pointed out, the Town of Myersville handles unattended donation containers in this manner. See attached.

The first option would allow unattended donation containers, but provide penalties if the containers are not monitored properly and allowed to overflow and attract uncontained materials. The second option would prohibit placement of unattended donation containers in the city.

Financial Impact:

Recommendation:

Motion:

Action Dates:

Discussion - October 14, 2014

ATTACHMENTS:**File Name****Description**

	Unattended Donation Containers 10 10 14 packet.pdf	Unattended Donation Containers
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CITY OF HAGERSTOWN, MARYLAND

Department of Community & Economic Development

Planning & Code Administration Division

Code Administration Office: 301-739-8577 x 127

MEMORANDUM

TO: Bruce Zimmerman, City Administrator

FROM: Kathleen A. Maher, Planning Director 

DATE: October 10, 2014

SUBJECT: Unattended Donation Containers or Bins

Staff will be present at the October 14th work session to discuss concerns related to unattended donation bins and options available to us to address this issue. As we see it, we have a couple of avenues we can pursue:

1. Amend Chapter 200, Sanitation, to add a provision for treating materials scattered around the outside of unattended donation containers as refuse and therefore subject to a code violation and the requisite remedies to right the situation.
2. Amend Chapter 185, Nuisance Abatement, to add "unattended donation container" to the definitions and to the list of prohibitions. As Councilman Aleshire pointed out, the Town of Myersville handles unattended donation containers in this manner. See attached.

The first option would allow unattended donation containers, but provide penalties if the containers are not monitored properly and allowed to overflow and attract uncontained materials. The second option would prohibit placement of unattended donation containers in the city.

Attachment

c: John Lestitian, Director, DCED
Blaine Mowen, Chief Code Official
Paul Fulk, Inspections Manager

*Town of Myersville, MD
Friday, October 10, 2014*

Chapter 90. NUISANCES

[HISTORY: Adopted by the Town Council of the Town of Myersville as indicated in article histories. Amendments noted where applicable.]

GENERAL REFERENCES

Peace and good order — See Ch. **97**.

Subdivision and land development — See Ch. **130**.

Zoning — See Ch. **165**.

Article I. Unattended Donation Containers

[Adopted 3-10-2009 by Ord. No. 2009-04]

§ 90-1. Definitions.

As used in this article, the following terms shall have the meanings indicated:

UNATTENDED DONATION CONTAINER

Any box, building, trailer or other receptacle that is intended for use as a collection point for donated clothing, furniture or other household materials at times when no employee or representative of the sponsoring company or organization is present to accept donations.

§ 90-2. Unattended donation bins deemed prohibited.

It is a public nuisance to create or to cause or to maintain within the Town any of the following conditions which directly or indirectly cause or have the potential to cause injury or annoyance to the general public:

- A. Unattended donation containers. It shall be unlawful for any person, firm or organization to place or maintain, or permit to be placed or maintained, an unattended donation container within the corporate boundaries of the Town of Myersville.
- B. Any unattended donation container which is located or situated on any property or premises on the effective date of this section, codified in this chapter, shall be permitted to continue to remain in the same location on the property or premises as

a nonconforming use for a period of 90 days from the effective date of this section, codified in this chapter. Thereafter, such unattended donation container shall be removed.

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

Bloom-Carlile Fund - FY 15 Funding

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

📎 [Bloom-Carlile Memo.docx](#)

Description

Bloom-Carlile Fund - FY
15 Funding



CITY OF HAGERSTOWN, MARYLAND

Finance Department
301-739-8577 X156

To: Bruce Zimmerman, City Administrator
From: Michelle Hepburn, Director of Finance
Date: October 10, 2014
Subject: Bloom-Carlile Trust – FY15 Funding

The City's Bloom-Carlile Trust Fund has a total balance of \$122,766 as of June 30, 2014. This fund was established to monitor and distribute funds received by the City from the estates of S Martin Bloom, Annie Fill Carlile and others. These funds are to be used strictly to provide assistance to the poor and needy of Hagerstown.

Action Requested:

Mayor and Council authorization is requested to allocate \$4,800 in Bloom-Carlile funds to the Community Action Council in FY15.

Since 1983, the Washington County Community Action Council has been administering the disbursements and allocations of the Bloom-Carlile fund to city residents on behalf of the City. As part of the administration process, the Community Action Council provides a summary report that includes the total amount awarded from the City's allocation of the Bloom-Carlile Fund and total balance remaining that can be distributed by Community Action Council.

Due to staffing transitions at the Community Action Council and uncertainty of future operations, the City's current year budget did not include an allocation of Bloom-Carlile Funds to Community Action Council. Subsequent to the adoption of the budget, the City has received the necessary reports from the Community Action Council for all prior periods through July 31, 2014. Now that the appropriate reporting is back in place, staff recommends the restoration of this funding to the Community Action Council for FY15 in the annual amount of \$4,800 from the Bloom-Carlile Trust Fund. The allocation of funds would be distributed to Community Action Council from Bloom-Carlile funds on a monthly basis.

Staff will be present at the Mayor and Council Work Session on October 14, 2014, to discuss.

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

Workers' Compensation Program and Staffing

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name

📎 [Workers_Comp_Oct_14_2014.pdf](#)

Description

Workers' Compensation
Program 10.14.2014



CITY OF HAGERSTOWN, MARYLAND

Human Resources

TO: Bruce Zimmerman, City Administrator

FROM: Karen Paulson, Director of Human Resources *KP*

DATE: October 8, 2014

RE: Workers' Compensation Program & Staffing

ACTION REQUESTED:

On September 16th, Mayor and Council indicated a willingness to proceed with a self-insured workers' compensation program. Staff requests Mayor and Council's approval to proceed with implementation of a self-insured workers' compensation program and the addition of one full time staff person in the Human Resources Department bringing the total number of authorized full time staff in the department from four to five. This position is necessary to successfully implement the program and position the department to better function as a strategic partner to our workforce and operations. This position will be funded through a portion of the savings from converting to a self-insured program. The target implementation date of the self-insured program is July 1, 2015.

POINTS OF CONSIDERATION

CBIZ projects a self-insured program will have a year one savings of \$288,645 and a five year savings of \$1,972,115. In addition to the financial savings, there are substantial operational and control benefits to the City that support a transition to a self-insured program. These include improved cash flow as claims are paid when expenses are incurred, generation of investment income from reserved funds, more input over claims administration, and enhanced opportunity for safety and loss control programs.

MAINTAINING THE PROGRAM

This is a transition that will require a significant amount of oversight and management from staff. Employee health, safety, and wellness initiatives become even more essential as there is a direct relationship with employee health and the cost of the workers' compensation program. There must be a continued long term commitment to fostering a culture of workplace wellness and health for this type of program to fully realize its potential savings.

THE NEED FOR ADDITIONAL STAFF

The transition to a self-insured program makes sense fiscally and programmatically. I strongly believe that in order for this program to be successful and to meet the expanding needs of our workforce, the addition of a full time position to the Human Resources Department is imperative. Like many other departments, we have continued to make do with current staffing levels due to the budgetary restrictions caused by the challenging economic situation the City has been experiencing over the past several years. I am proud of the department's accomplishments

as we have been successful maintaining service even with significant increases in workload. In the past several years, staff has absorbed the City's liability insurance program, created and continues to develop a comprehensive wellness program, transitioned vendors in virtually all areas of benefits, and continues to redefine and develop internal initiatives and programs to develop our workforce and become a strategic partner to all operations. We are at the point however, where staff cannot expand services beyond our current levels due to the existing workload.

The long term industry standard that establishes sufficient staffing of an HR Department is 1 HR Staff person per 100 employees. I will also note that many organizations outsource benefits administration and payroll functions. In approximately half of all organizations, payroll changes are typically processed as an accounting function. The Human Resources Department manages employee and retiree benefits and all pay changes for our entire workforce. In the current fiscal year budget, the City has 487 FTE positions. Excluding the safety position, which should not be included in the calculation, our ratio is 1:139. The approval of an additional position would put us at 1:108.

This position's primary responsibilities would be in workforce development, training, employee recruitment, expanded orientation, recognition initiatives, succession planning, and assisting in labor relations issues such as employee investigations, and assisting policy and contract administration issues. This will be a highly visible position working with all levels of the organization. It would absorb enough of the workload related to training, certification, and licensing from the Safety position so that the Safety position can focus more on strengthening our loss control initiatives and keep a close level of oversight on the performance of the workers' compensation program.

A conservative estimate on the cost of the position to include wages, benefits, and the addition of equipment (computer) is approximately \$87,000. The remaining savings can be used to balance the general fund and support other Mayor and Council priorities. I appreciate Mayor and Council's consideration.

SUMMARY OF IMPLEMENTATION STEPS

The target implementation date is July 1, 2015. The following briefly outlines what needs to be accomplished before we can successfully transition.

- Sign contract for broker services
- Secure TPA through RFP process with Broker
- Work with broker to submit application material to the State and complete required administrative steps
- Hire additional staff person
- Work with Finance and TPA to develop policies and procedures
- Secure Excess Workers' Compensation Insurance through broker
- Develop and conduct workforce education and training on the changes

REQUIRED MOTION
MAYOR AND CITY COUNCIL
HAGERSTOWN, MARYLAND

Topic:

Competitive Negotiated Sale Recommendations 19-23 W. Antietam Street

Mayor and City Council Action Required:

Discussion:

Financial Impact:

Recommendation:

Motion:

Action Dates:

ATTACHMENTS:

File Name	Description
 19-23 West Antietam Memo.docx	19-23 W. Antietam Street



CITY OF HAGERSTOWN, MARYLAND

Department of Community & Economic Development

TO: Bruce Zimmerman

FROM: Andrew Sargent 

DATE: 10/09/2014

RE: Competitive Negotiated Sale Recommendation: 19-23 West Antietam Street

Requested Action

Staff request direction from the Mayor and City Council to proceed with creating the required legal agreements approving the transfer of 19-23 West Antietam Street to a developer and authorizing the developer to initiate work at the site prior to settlement, as outlined in summary of the proposal.

Background

The Mayor and City Council directed and approved the Competitive Negotiated Sale process (CNS), whereby property owned by the City of Hagerstown is sold. CNS proposals are accepted on a rolling basis and considered by the CNS Committee, which is comprised of the Planning Director, the Finance Director, the Inspections Manager, the Downtown Manager and the Community Development Manager. Proposals found by the CNS Committee to have merit and which are in line with the City's Vision are forwarded to the Mayor and City Council for consideration with a recommendation to proceed.

19-23 West Antietam Street

After a fire on February 6, 2013, the City interceded for the sake of public safety and performed an emergency demolition of the top floor to make the structure immediately safe. Knowing that the City would likely own the structure as the bankruptcy case was being resolved, the City began advertising the property as available through the CNS process on October 16, 2013. Subsequently, the City took ownership of the property in March 2014.

The property continues to have serious structural issues, has been condemned and needs to be razed.

The Proposal

The CNS Committee has received a proposal from a developer for the property. Bowman Development submitted their initial proposal in July 2014 and outlined their basic development plan for the property. This proposal calls for transfer of the real property to Bowman Development plus a City economic development incentive to assist in the demolition of the structure. Since that

proposal, Bowman Development has worked hard to solidify the demolition costs and after receiving further information, updated their proposal. The final proposal is summarized as follows:

- 1) Through a legal agreement, the City will transfer ownership of the property to Bowman Development.
- 2) The City will supply an economic development incentive to support Bowman's development plan by providing funding to Bowman Development in the amount equal to half the cost to demolish the building or \$75,000, whichever is less.
- 3) Within 30 days of the Agreement, Bowman Development will commence demolition.
- 4) Within 90 days of the Agreement, the City will transfer clear title of 19-23 West Antietam to Bowman Development.
- 5) If the City fails to transfer title of the property to Bowman Development, the City will reimburse Bowman Development for the complete cost of demolition estimated to be \$150,000.

Source of Funds

The source for the economic development incentive is through the Economic Redevelopment Fund. Specifically, \$75,000 is available and budgeted for dwelling unit reduction projects. While these funds were not originally envisioned for this project, the necessity to complete this transaction and the lack of a current unit reduction project makes this use the best option available.

Recommendation

It is the recommendation of the CNS Committee that the Mayor and City Council direct staff to develop the necessary agreements consistent with the above terms. It is the opinion of the CNS Committee that this project aligns with the City's Vision and Commitment for Neighborhoods, supports the Community City Center Plan and will specifically contribute to the success of Catalyst Project 5, the Trail Project.

Staff will be available to review details and respond to questions.