City of Aberdeen Council Meeting January 31, 2011

Present: Mayor Bennett, Councilwoman Elliott, Councilman Garner,

Councilwoman Landbeck, and Councilwoman Young

Absent: None

Also Present: Douglas Miller, City Manager

Phyllis Grover, Director of Planning and Community Development

Matthew Lapinsky, Director of Public Works

Henry Trabert, Interim Chief of Police Opiribo Jack, Director of Finance

Monica Correll, City Clerk

Mayor Bennett called the meeting to order at 7:00 p.m. in the Council Chambers. The prayer was led by Chaplain Orman Boyd of Aberdeen Proving Ground and the Pledge of Allegiance was led by Councilwoman Landbeck.

A motion was made by Councilwoman Landbeck and seconded by Councilwoman Elliott to approve the minutes of the January 10, 2011 meeting as submitted.

The motion passed with a vote of 5 - yes.

PRESENTATIONS:

1. Recognition of Wesley V. Tout, Planning Commission

Mayor Bennett read a proclamation in honor of Mr. Tout for his service to the City and presented him a Mayor's Medal.

2. Proclamation – City of Aberdeen Logo

Mr. Matt Christ, the owner of Brand 3 Design, a brand management company, explained the promotional package and future plans for the new branding. Mayor Bennett read a proclamation regarding the City's new logo.

PUBLIC HEARINGS:

1. Resolution No. 10-R-18, Aberdeen Technology Campus, LLC and Route 22 Properties (Lee Annexation)

Public Comments:

1) Joseph Snee, Jr., Attorney, Gessner, Snee, Mahoney & Lutche, P.A.; Paul Muddiman, Vice President, Morris Ritchie Associates, Inc.(MRA); and, Megan Maffeo, Senior

Landscape Architect, MRA presented a PowerPoint presentation regarding the Annexation timeline, community meetings, overview of the site, comprehensive plan land use recommendations, concept plan, projected commercial annual taxes, and projected residential annual taxes. Mr. Snee proposed two amendments for Resolution No. 10-R-18 and the annexation agreement concerning: 1) water and sewer availability, water demand and wastewater flow, 2) costs to extend public water and sewer to Route 22 properties; the City assuming responsibility to construct the water and sewer lines to service the Route 22 properties.

2. Ordinance No. 11-O-01, Amendment to Development Code, Repeal Article III, Peace and Good Order, Fortune-Telling

Public Comments:

- Mr. Clarence Weaver, East Eager Street, Aberdeen;
 Mr. Weaver expressed his opposition to the ordinance because he feels it undermines the profession of psychology.
- 2) Mr. James Redding, Holiday Drive, Aberdeen; Mr. Redding is opposed to the ordinance because he feels it is harmful to the community and suggested an amendment requiring a performance bond.
- 3) Pastor Dianne Welsh, Breath of God Christian Fellowship, Aberdeen; Pastor Welsh stated that she opposes occult practices, witchcraft, and is not in favor of this ordinance
- 4) Mr. James Zachary, Cockeysville; Mr. Zachary is a volunteer for the Boys and Girls Club. He is opposed to the ordinance because he feels it is counterproductive to society and victimizes families.
- 5) Ms. Linda Logan, Breath of God Christian Fellowship, Aberdeen; Ms. Logan opposed this ordinance because of the negative effects on peace and order in the community. She quoted from the Bible.
- 6) Ms. Regina Watson, Center Deen Avenue, Aberdeen; Ms. Watson opposed the ordinance because she said it negatively affects children and the community.

PUBLIC COMMENT: None

LEGISLATIVE SESSION: None

Mayor Bennett stated that last year, the legislators in Annapolis allowed enabling legislation for Harford County and the City of Aberdeen regarding tax forgiveness for the Village at Carsins Run (VCR), Presbyterian Home of Maryland, Inc. properties. The legislators are now considering State-mandated tax forgiveness for these properties. The Mayor met with

delegation members who confirmed this information. The Mayor further stated his opposition to the tax exemption since the financial burden would be passed on to local taxpayers of a low-to-moderate income community for the properties utilized and targeted for high-end retirees. He asked for comments and opinions from the City Manager and Council members.

Mr. Miller commented on his personal experience with a similar facility which cared for his deceased grandfather and currently cares for his 104-year old grandmother. He explained that the Village at Carsins Run (VCR) is a continuous care facility which is comprised of different components: assisted living, nursing home, and independent living units. The nursing home and assisted living components are, by definition, already tax exempt. The independent living units of VCR, comprised of apartments and cottages, are the facilities for which the Presbyterian Home of Maryland, Inc. is requesting a mandatory, state-imposed tax exemption for from the Maryland General Assembly. Mr. Miller and Mr. Jack spoke with the Maryland Department of Aging approximately one year ago and were told that there are about thirty facilities of this type in the State of Maryland and none have tax forgiveness for the independent living units.

Councilwoman Elliott said that she emphatically opposes tax forgiveness to an organization that can well afford to pay their taxes. She stated that she is not against the facility, but that the burden cannot be placed on the taxpayers because the City of Aberdeen cannot afford it. The Councilwoman thanked proactive citizens and the ACT group for their help. She thanked Delegate Sheila Hixson, who prevented the bill from getting to the floor which would have given the 100% tax exemption on independent living units. So, the enabling legislation stands which leaves it up to the municipality.

Councilwoman Landbeck expressed opposition to adding to the financial burden of struggling, taxpayers to support a "for-profit" company which will not benefit the community. She pointed out that many other businesses coming into the community are not asking for tax forgiveness. The Councilwoman stated that it is time to stop bullying Aberdeen and encouraged the citizens to contact the State delegation to convey the possible political consequences of their decisions.

Councilwoman Young said that she would like Presbyterian Homes to build in Aberdeen and provide their services, but she has great concern about the tax ramifications. She said that according to the Aberdeen Proving Ground (APG) Maryland Relocation Guide 2010, the average Aberdeen current household income is \$61,559 and the average home value is \$243,880. The Baltimore Business Journal, October 2010, wrote that the entrance fee range for Presbyterian Homes would be \$224,000 to \$711,000. The Aberdeen community would not be able to afford the services of this facility and, in addition, this facility will be utilizing local services, including the police. Councilwoman Young held up pictures of homes in Swan Meadows and pictures of the independent living units (cottages) of Presbyterian Homes. She stated that she does not begrudge anyone the ability to live in the cottages, but they should not be able to do so tax free at the expense of others.

Councilman Garner expressed his concern and opposition to the independent living unit tax exemption. He had first-hand experience with his mother and knows that the costs associated with assistant living escalate as time goes on. He said that the citizens of Aberdeen need a tax break: not a tax burden.

The Mayor said that he, the Council, and City Manager wanted to let the public know their thoughts and opinions and that a letter will be composed expressing these concerns and sent to the delegation. The Mayor stressed that they do not oppose the VCR project, but not at the expense of the citizens.

BUSINESS OF THE CITY:

- 1. Unfinished Business None
- 2. New Business
 - a. Committee Appointment for Heritage Trust, Barney Backus Mayor Bennett nominated Mr. Barney Backus to the Heritage Trust

The nomination was approved by the Council unanimously.

- 3. Business from the Director of Planning & Community Development
 - a. Preliminary Site Plan Cook's Automotive, Lot 7 Hardee's Industrial Park

Ms. Grover gave specifics and background on the preliminary site plan. Mr. Dudley Campbell, Principal with Bay State Land Services, and Mr. Mitch Ensor, were present to give further architecture and structure information on the site plan. This was followed by Council comments and questions. Mr. Lapinsky stated that the City has a draft agreement from Harford County to address the water and sewer arrangements of this area. It is being reviewed by legal Counsel and may be finished in a couple weeks.

A motion was made by Councilwoman Landbeck and seconded by Councilman Garner to approve the Preliminary Site Plan – Cook's Automotive, Lot 7 Hardee's Industrial Park.

The motion passed with a vote of 5 - yes.

4. Business from the Chief of Police – None

The Mayor commended the Chief and the APD for an outstanding job in solving a recent crime.

- 5. Business from the Director of Finance
 - a. Year-to-Date Financial Activities

The following was the report from Mr. Jack:

General Fund

Total receipts exceeded total expenditures by \$3.9 million, with collections of \$10.1 million, and expenditures of \$6.2 million.

Property tax collection was more than budgeted by \$161 thousand. The increase was from real estate tax. State-shared revenues were \$71 thousand less than budgeted, mostly due to lower income tax receipts. County-shared revenues were \$51 thousand more than budgeted due to higher-than-expected police differential allocation.

Expenditures were better than budgeted by \$232 thousand. This was mostly due to unfilled vacant positions, and savings from property and workers' compensation insurance premiums.

Capital Projects Fund

Total receipts (including transfer-in from the General Fund) exceeded total expenditures by \$203 thousand, with receipts of \$408 thousand, and expenditures of \$204 thousand.

Total receipts were less than budgeted by \$59 thousand. This was mostly because we have not incurred expenditures on the major grant projects to allow us to draw down on the grant funds.

Expenditures were lower than budgeted by \$115 thousand. This is partly due to delay in the implementation of certain projects probably due to the season.

Water Fund

Total receipts, including loan proceeds, exceeded total expenses by \$264 thousand with receipts of \$6.3 million and expenses of \$6.1 million.

Utility usage charges were \$61 thousand more than budgeted.

Expenses were less than budgeted by \$206 thousand. This was due to savings from energy costs and slower pace in the implementation of some capital projects.

Sewer Fund

Total expenses exceeded total receipts, including grants and loan proceeds by \$1.2 million, with expenses of \$3.4 million and receipts of \$2.2 million.

Utility usage charges were below the budgeted amount by \$206 thousand. This was mostly because the ENR fee has not been implemented. Grants and loan proceeds were \$1.7 million less than budgeted; however, two draw-down requests totaling \$1.7 million are pending.

Expenses were well under budget by \$650 thousand because of the slow pace in the implementation of some capital projects.

Stadium Fund

Total receipts (including transfer-in from the General Fund) exceeded total expenses by \$371 thousand, with receipts of \$564 thousand and expenses of \$193 thousand.

Total receipts exceeded budget because of higher than expected Admissions and Amusement tax revenue.

Expenses were in line with the budget.

Citywide

Overall, the City's total receipts exceeded expenditures by \$3.5 million with revenues and loan proceeds of \$19.5 million and expenditures of \$16 million.

Mr. Jack concluded his report and there were no questions from Council.

- 6. Business from the Director of Public Works
 - a. Storage Shed Contract Approval

Mr. Lapinsky recommended Shirk Pole Buildings for the storage shed contract in the amount of \$19,400.00.

A motion was made by Councilwoman Elliott and seconded by Councilwoman Young to approve the bid from Shirk Pole Buildings in the amount of \$19,400.00 for a Storage Shed.

The motion passed with a vote of 5 - yes.

7. Business from the City Manager

Mr. Miller announced the February work session schedule.

BUSINESS OF THE COUNCIL:

1. Business from the City Council

The Council congratulated Mr. Tout and all the volunteers for their dedication and service. The public was encouraged to attend the comprehensive plan public hearing. Councilwoman Landbeck was impressed with the excellent behavior of Aberdeen High School students that she recently chaperoned. The Council activities included attendance at the Annual Fire Department banquet and a humanitarian awards breakfast. Citizens were encouraged to contact their senators and delegates for approval of the hotel tax.

2. Business from the Mayor

In the past several months, the Mayor has spoken to delegates and senators, in his capacity as President-Elect of Maryland Municipal League, about Harford County's need for a hotel tax; and that Harford County is the only jurisdiction in Maryland and the surrounding states (VA, WV, PA) without it.

In the FY 2009 budget, Aberdeen received from the State, approximately \$665,500 in highway user revenue. In FY 2001, it was only \$62,000. Aberdeen spends about a half a million dollars a year in expenditures for Ripken Stadium, Harford County's number one tourist attraction. This bill is for Harford County and the three municipalities and the money would be designated for tourism needs. This would take the financial burden off backs of the citizens. The Mayor intends to testify at the Ways and Means Committee in Annapolis concerning the hotel tax.

The Mayor's recent activities included: opening day at the Maryland General Assembly, MML Executive Board meeting, MML Legislative Committee meeting, the MML 75th Anniversary reception, Chesapeake Science and Security Corridor meeting, meeting with the Harford County Executive David Craig, Boys and Girls Club dinner, NAACP breakfast, Aberdeen Chamber of Commerce meeting, testified at the Appropriation Committee Hearing in Annapolis, Eastern Shore MML Legislative dinner, MML breakfast for legislators, meeting with Delegate Mary-Delany James, Tourism Day in Annapolis, delegation meeting in Annapolis, MML Board meeting in Annapolis, memorial service for Merritt Harrison, Sr., and a ribbon cutting ceremony for the Boeing Company at APG. The Mayor is currently searching for a legislator to sponsor the hotel bill for the vote.

ANNOUNCEMENTS:

Next Council Work Session: Monday, February 7, 2011 at 4:00 p.m. Next Council Meeting: Monday, February 14, 2011 at 7:00 p.m.

ADJOURNMENT:

A motion was made by Councilwoman Elliott and seconded by Councilman Garner to adjourn the meeting. By unanimous agreement the meeting was adjourned at 8:53 p.m.