

Civic Association Membership Meeting
Minutes March 18, 2015 Homewood

6:50 pm. Ann Arnold introduced Mayor Randy McClement

The Mayor introduced Zack Kershner, Director of Public Works. He then discussed the budget process. "The city charter requires a balanced budget." The mayor must submit a balanced budget to the Aldermen by next Wednesday. This is the Mayor's 5th budget, and although each has been "the worst budget ever" to balance, this one is definitely THE worst due to the \$21 million gap between the city's income vs. its requests for services. Income is based on property taxes, which are re-assessed every 3 years. However, each year, costs for services increase. This year, income increased only 2% due to new homes. After the Mayor asked each city Department head to bring its budget back to last year's level, he still found a \$6 million discrepancy. He has not cut any services with the exception of bulk trash. The employee level remains constant at 142, and some merit increases were approved last year and this year. It would take a super majority of aldermen to override the Mayor's budget. He can amend the budget if needed, but his 3 areas of focus remain public works (snow removal), public safety (police) and economic development.

The Mayor then discussed current economic developments. The \$13 million allocated to phase 2 of the Carroll Creek project is beginning to pay off. Gilberts, a 73 million square foot facility across from McCutcheon's, has a tenant ready to move into the upstairs. Others will follow. McCutcheon's will also expand out toward the creek and add an upstairs, plus a water wheel. The East side is also starting to grow. The Renn Farm, which is as large as the downtown area, is up for purchase and will be zoned for mixed use. Its connection to the downtown area via the extended creek promenade is paramount.

The Mayor then discussed tourism and the need for a downtown hotel with conference space. Local organizations like the National Cancer Institute, Wells Fargo and Ft. Detrick all desire the conference space. The city won't shoulder the cost of or own the hotel/conference facility. It will, however, support it with additional parking and streets. John Delaney wants the conference center to be built. The Mayor is looking for a \$5-\$15 million grant from the state to add to the shared private/public cost of this facility.

This concluded the Mayor's update. The remaining meeting time gave residents a chance to ask questions and for the Mayor and Mr. Kershner to respond.

1. What is happening with the airport? (Bob Wehr) The Mayor stated the Frederick's airport is the second busiest in Maryland after BWI, and we're outside the No-Fly zone so we're cheaper and faster to get into and out of DC than Gaithersburg's airport. It's the back-up airport for Camp David. We've had two Ebola patients come through. We make money by selling gas and renting hangars. The master plan is to increase the length of the runway so Lear jets can fill up and take off with the weight of the fuel. To do this we need to extend the safety zone around the airport so

the runway can be lengthened. Unfortunately, the FAA promised, and then reneged on the money for this improvement.

2. What about fixing the length of Monocacy Blvd that is still two lane and curvy? (Allan Carlson) Mr. Kershner explained that the 1st phase of Monocacy Blvd. improvement is complete. The “bad” piece is still to be completed and will include a new bridge. The 4 lane road design is wrapping up now. It should be ready for bidding this summer. The cost of the new bridge alone is expected to be between \$70-\$80 million. The design for the Monocacy Blvd. and Rt. 15 interchange is out to bid now. It is expected to be completed by the end of 2017.

3. When will Mill Pond Rd. extension be completed? (Vivien Champion) Wormald has set no dates for this yet.

4. Why are three Wal-Mart stores within three miles of one another being allowed? (Beverly Swain) The Mayor said that the Rt. 40 Wal-Mart is attracting residents from the area around Middletown. Small businesses on 40 want Wal-Mart there because it draws shoppers. We can't say “no” to Wal-Mart, only to certain kinds of businesses like strip clubs.

5. Giant fought Wal-Mart's being a full service grocery store. Now we'll have too much competition with Wegmans, Wal-Mart and Giant. Why is this being allowed? (Gerri Mitchell) Mayor McClement stated that Giant closed its store on 40 to focus on its store here, and it's doing ok. It has been able to compete with Wegmans so far.

6. What about the increased traffic due to the Wal-Mart? (Vivien Champion) Mr. Kershner said that there will be 2 traffic lights on Monocacy Blvd. in close proximity-one at 26 and one at Wal-Mart to help traffic. Wal-Mart is required to build these.

7. Why has the Asian restaurant been allowed to be vacant for so long? (Beverly Swain) The Mayor gave an extended explanation about code enforcement, receivership, notices of violations, fines and citations used as “carrots and sticks” to encourage Mrs. Ro, owner of several derelict property locations downtown, to bring her properties up to code. All of the violations, including those for electricity, water, and vermin have been for health and safety issues. Mrs. Ro has spent \$400,000.00 on improvements so far. The code laws do not include violations for the outside appearance. The Mayor's frustration after working with Mrs. Ro on an ongoing basis was apparent from his comments. “Her buildings are condemned. No person or business can occupy them at this time.” The Mayor did note that Mrs. Ro does pay her taxes.

8. Would it be possible for the public to see the increases in areas of the budget? (Dick Menzer) The Mayor said he would find out how to post this information on the City website. He also said that the new budget must reflect the mission of each department so progress can be seen.

9. Why have water bills increased so dramatically for condo owners? (Bill Martin) One meter is split among 127 residents, and we are suddenly being charged premium rates for water.

The Mayor explained a recent ruling that found the city was out of compliance. The city was charging apartment dwellers a higher rate for water than condo owners. The result was that both condo and apartment dwellers pay the same rate now-the higher tiered rate because of their higher use.

10. Isn't this reasoning flawed because condo owners pay property taxes? The Mayor responded by saying that apartment renters pay taxes through their rent. Mr. Kershner stated that it wouldn't be efficient to install individual water meters now. A Condo owner stated that her bill is substantially higher, and she also pays \$3,000.00 a year in property taxes. A lengthy discussion ensued about everyone paying taxes for education, and condo owners knew what they would be paying for when they bought their unit.

11. Why are challenges to zoning board (ZBA) issues being routed away from the ZBA and directed instead to the courts? The Mayor explained that it is slightly cheaper to go to court: the filing fee for the ZBA is \$600.00, and for court it is \$127.00. Also, the courts are the ones who decide whether the letter of the law was followed. The planning commission already offers many opportunities to the public to state concerns. Finally, in court, you have the possibility of prevailing and getting money back. This is not possible through the ZBA.

Allan Carlson concluded the evening at 7:45 pm by thanking Mayor McClement and Mr. Kershner for coming.