

Executive Department
3rd Quarter Report
Fiscal Year 2004
Activities and Accomplishments

A) The Grants/Special Projects Director, continues to work with the CSAFE (HotSpot) program, serving as the Lead Coordinator. Ann Northam is the Church Street Neighborhood Advocate.

The Lead Coordinator received and reviewed all the necessary state paperwork for project progress and expenditure reporting for the second quarter for each of the agencies receiving CSAFE funds. All reports were co-signed by the Lead Coordinator and the total reimbursement request was submitted by her to the State. When the funds were received from the GOCCP the necessary paperwork was completed to reimburse the individual agencies for their expenses.

The CSAFE grant application for Year 7 of the program was completed and submitted by the Lead Coordinator. The funding level for the Year 7 application has remained the same as for Year 6, and the elements that we have requested funding for are as follows:

School Resource Officer - Wicomico Middle School - Sheriff's Dept.....	\$20,000
Narcotics Buy/Bust Operations - Salisbury Police Dept.....	\$5,330
Prostitution Stings - Salisbury Police Dept.....	\$6,075
Neighborhood Advocate / Lead Coordinator.....	\$8,000
East Salisbury Elementary School - Summer Program.....	\$3,000
Wicomico Middle School - WISE After-School Program.....	\$3,000
Grace United Methodist Church - Teens On The Go Program.....	\$3,000
Rahab's Place - Rehabilitation Services for Prostitutes.....	\$2,000
 Total Funding Request	 \$50,405

CSAFE (HotSpot) meetings continue to be held the third Tuesday of every month at Grace United Methodist Church at 5:30 p.m. The CSAFE mailing list consists of over 100 agency representatives and area residents.

B) A Certificate of Substantial Completion was issued for Phase 1 of the Boundless Playground on January 6, 2004, and a final inspection was held on January 20th to determine what final punchlist items remained to be completed. A letter was sent to Interstate Construction of Delmarva, Inc. (ICD) on January 23, 2004 notifying them of the items that needed to be addressed. On March 8th another letter was sent to ICD informing them that more than half of the punchlist items had still not been addressed. Once the remaining punchlist items have been completed the final payment for Phase 1 can be processed.

We received notice in early December that we had been awarded a Community Legacy grant for Phase 2 of the Boundless Playground in the amount of \$100,000. Phase 2 includes the purchase and installation of the play equipment and safety surfacing for the pre-school play area (including the required excavation), some free-standing pieces of equipment for the school-age play area, picnic tables, benches, trash cans, handicapped-accessible water fountain, fencing and landscaping. We were not happy with the bid that we received from ICD for Phase 2 of the project, we felt that the amount was very high, so we have decided to put Phase 2 out to bid again. We are hopeful that we will get a more reasonable bid from another contractor.

C) Work continued on the owner-occupied housing rehabilitation projects being funded through the Community Legacy Revolving Loan Fund monies (\$150,000). These projects are being handled by Salisbury - Wicomico Department of Planning, Zoning & Community Development (PZCD). The limited number of contractors willing to do these small rehabilitation projects continues to present a challenge, as well as the extremely busy schedules of the inspectors, but steady progress is being made. Applications continue to be handled on a first-come first-serve basis.

D) The Salisbury Neighborhood Housing Service (SNHS) continued working with the \$150,000 in Community Development Block Grant funds that they received for their owner-occupied housing rehabilitation grant / loan program. SNHS is running into the same problems that the Planning, Zoning & Community Development staff have been experiencing - extremely busy housing inspectors and lead hazard inspectors, and a shortage of qualified contractors willing to do jobs this small. However, they have multiple projects rolling now, and things are progressing well.

E) Work continued on process of transforming the City of Salisbury into a Community Development Block Grant (CDBG) "entitlement community." Neighborhood Solutions, LLC, the consulting firm hired to assist us, began working with us on the development of our initial five-year Consolidated Plan, and the first Annual Action Plan for the City's new CDBG Program. Both of these documents will have to be approved by HUD before our status as an entitlement jurisdiction is official. The current CDBG funding level for Salisbury is \$360,000 per year.

We developed a mailing list of community members and service agency representatives who would need to be involved in the development of the Consolidated Plan. The first mailing soliciting input from the community and service agency reps went out in early January to approx. 160 individuals. The consultants conducted one-on-one meetings with numerous agency representatives who provide services to various segments of the population such as elderly and frail elderly, physically and mentally disabled, victims of abuse, and the homeless, as well as low-to-moderate income individuals. An all-day focus group meeting was held on Saturday, January 24, 2004 to gather further input from the public and prioritize housing and community development needs. The results of that meeting were combined with the responses received on the survey to compile a list of the housing and community development needs that the city would seek to address through CDBG and other available sources of funding.

The first Public Hearing was held on February 4, 2004 to obtain citizens comments on the identified and prioritized housing and community development needs. The consultants then began writing the Consolidated Plan and Annual Action Plan, utilizing the information gathered from the surveys, the focus group meeting, and the first Public Hearing. The draft of the Consolidated Plan and Annual Action Plan will be presented to the community at a second Public Hearing in April.

F) The City submitted a proposal to Wicomico County Recreation & Parks Department for Program Open Space funding for a restroom facility at the Boundless Playground. This playground needs a handicapped-accessible restroom to accommodate the many children, parents and teachers who will be utilizing this playground. The proposed facility would be approximately 700 square feet in size, with an estimated cost of \$84,000. The City is requesting \$74,000 in POS funds for the project, with the remaining \$10,000 to be provided by the City in the form of funds and/or force-account labor.

G) During the quarter, there was still very little progress on the effort to redraft the Fire Service Agreement between the City and the County. Early in December 2003, the volunteer chiefs reported to the County Council that there were no volunteer fire companies that would be able to assume the responsibility of providing fire service to the areas of the Salisbury Fire District lying outside the City limits. Since this report, there has only been one meeting between the City and the County on this issue. At this meeting, which was held on January 21, 2004, the City and County discussed the goals they had for this process and the City presented the County with a new proposal that was designed to address some of the County's goals, as we understood them. As of the end of the quarter, we had not received a response from the County.

H) During the quarter, efforts continued to resolve differences concerning the Fire Department's new physical standards. In a meeting on October 27, 2003, agreement was reached that Dr. James Burns, the Fire Department's Medical Director, and Dr. John Bartkovich, representing the Station #2 volunteers, would seek ways to refine the NFPA physical standard so that it was more reasonable for our department. Agreement was also reached at this meeting to create a three-person appeal board to review appeals of the Medical Director's decision on the fitness-for duty of departmental members. At the end of the quarter, both of these efforts were still being pursued.

I) On March 16, 2004, the bids for water and sewer extensions to serve Perdue Stadium and Wor-Wic Community College were opened. Of the three separate contracts for this project, two were reasonably close to the engineer's estimate. Unfortunately, the contract for the water and sewer mains themselves exceeded the engineer's estimate by a considerable amount. After a thorough analysis by the consulting engineer, the staff recommended to the governing bodies of the three partners on this project, that we ask the low-bidders on the two contracts, that were within engineer's estimates, to hold their prices for an additional period, and to reject all bids on the third contract. The purpose of this recommendation was to allow the City to rebid the contract in the hope of getting better prices. This recommendation was approved by all three partners. The other low-bid contractors refused to extend their bids, so a plan was put into place to award all bids before the original bids expired. The higher contract prices necessitated a renegotiation of the Memorandum of Understanding (MOU) between the parties. All three parties indicated that they were in support of the project and that they could afford the greater amount of their shares. The

bids for the water and sewer lines contract were due to be opened on April 20, 2004 and the bids were due to be awarded on April 23, 2004.

J) Throughout the quarter, work continued on the refinement of the proposal to utilize tax increment financing to help with the redevelopment of the Salisbury Mall property. The developers met several times with the staff to ensure that they were addressing all of the concerns expressed by the City and County Councils. As a part of this process, the developers presented an economic analysis of this project. This analysis contained projections for the amount of the revenue bonds that would be issued, the repayment schedule, the taxes that would be generated by the project, and the costs that both the City and County would incur in providing service to this area. Following review and comment by the City and County staffs, the developer's agreed to revise the analysis to include the effect of the continuation of the County's revenue cap.

K) The City Council considered the draft Capital Improvement Plan at its January 5, 2004 work session and made very few changes. The revised CIP was subsequently adopted by the Council at their February 6, 2004 regular meeting. This year's plan covers the five-year period FY 05-FY09.

L) Throughout the quarter, the City staff worked on the preparation of the Mayor's proposed budget for FY 05. Department heads turned in their budget requests to the Finance Department during the later part of February and the Mayor and Executive Officer reviewed the budget requests during the middle of March. At the end of the quarter, final preparations were underway for balancing the budget and the submission of the budget request to the City Council. In a departure this year, the budget was being presented to the Council in a program format rather than in a line-item format. The purpose of this change was to help the Council focus on the programs that the Mayor was proposing and other changes in the budget rather than to become mired down in the minutiae of the budget. The hope was also that, through this change, the Council could reduce the amount of time it spends in the budget review process.

M) In response to a request from the Council, the staff began work in January devising another approach to financing the infrastructure needed to serve new developments in the City. For a number of years, the City has required developers to over-size the water and sewer and other facilities they install as a part of the development process so that these facilities are large enough to serve future development. The City entered into agreements with these developers to reimburse them for the additional cost of this over-sizing, usually within two years of the completion of the improvement. The City, then, was to be repaid by future development as it occurred. This policy was adequate until the City began experiencing an increased pace of development. Once that happened, the reimbursements that the City was incurring quickly began to mount and began to exceed the ability of the City to repay. The Council was also concerned that this policy was placing too much of the cost of this new development on the existing tax, and rate, payers.

At the Council's March 8, 2004 regular meeting, the staff recommended to the Council that a new policy be adopted for all developments, for which a Public Works Agreement had not been signed prior to February 1, 2004. The new proposed policy would allow for reimbursement to developers for their costs for the over-sizing of public improvements only upon payment to the City from another developer, or property owner, who will be benefitting from these improvements. After ten

years passed since the commencement of the development, there would be no further reimbursement to the developer. This policy had been reviewed with many of the developers who have been active in the community prior to its presentation to the Council. Following discussion, the Council decided to postpone action on this policy until the staff had had time to consider some of the suggestions made by the developers and others.

N) During the 2004 General Assembly session, the Executive Officer testified concerning several pieces of legislation:

- on February 18, 2004, at the request of the Maryland Municipal League (MML), he testified on behalf of several proposed amendments to the Admissions and Amusements Tax law. These amendments would:

- restore the tax on events at which refreshments are sold and served while entertainment is provided. The legal ability for local governments to levy this tax has been denied by the Baltimore City Circuit Court.

- authorize local governments to impose a tax on the sale of food and beverage for on-site consumption at restaurants and other eating establishments

- on March 3, 2004, once again at the request of the MML, he testified against the Chesapeake Bay Restoration Fund, which is also known as the “flush tax”, and on March 9, 2004, he testified in favor of local legislation that would permit employees of the City’s Fire Department to transfer to the Law Enforcement Officer’s Pension System (LEOPS).