



Minutes of the City of Mount Rainier Maryland City Council Work Session & Special Meeting

Date: 03-17-2015

Place: One Municipal Place, Mount Rainier

Presiding officer: Mayor Malinda Miles

Councilmember's present: Jesse Christopherson, Brent Bolin, Bryan Knedler Jacqlyn W. Riposa

Councilmember's absent: None

City Hall Staff: Assistant City Manager Veronica Owens, City Treasurer Vijay Manjani, Director of Development Samantha Oterjay

Meeting called to order at 7:05 p.m.

Pledge of Allegiance

Agenda

- **Discussion Topics after Update**
- **Humphrey Management- The renovation**
- **FY 2016 Budget & Constant Year Tax Rate**
- **Policies and Procedures for electronic purchases and distribution**
- **Construction, Redevelopment, Traffic Issues, etc.**
- **Speed Humps on 28th**
- **Mayor & Council Closed Session to discuss personnel issues**

Motion to approve the agenda

Councilman Christopherson

2nd Councilman Bolin

3-0

ATHA (Anacostia Trails Heritage Area) or Maryland Milestones

Aaron Mochovich

ATHA Announcements include

- **Reminder to include annual dues in the council budget**
- **It is grant season and they will look at grants very shortly**
- **They are stepping out of the War of 1812 and focusing on main streets and bicycle tourism, more specifically the Anacostia tributary trail with extension out in DC. There will be several thousand bikers on those trails and our goal is to get them off those trails and into the communities.**
- **May 2nd is the Annual Boswick Program in Bladensburg**

- They are working with different community days to have a table set up
- **May 3rd is the Bicycle Rally.** It will start at Magruder Park. It is the same day as the Riverdale Park Arts Festival
- The War of 1812 brought over a ½ a million dollars of investment into the area. We think we can leverage what we have done there into a lot of other programs.
- Community members can send in a picture for the calendar contest
- They have been working with the developers in Greenbelt and College Park to make sure the history of the area is included in them

Mayor Miles: Are you all still doing the small grants?

Mr. Machovich: Your staff has submitted for a couple of those grants. We are going to review them tomorrow. The biggest issue that we are facing, the one that everyone is facing, is what is happening with the State Budget. There is \$3 Million that is set aside for the Heritage Areas Authority. About \$1 Million of it is set aside for management entities. There are thirteen of us in the state. And then the remaining \$2 Million is set aside for grants. That is a competitive grant across all 13 heritage areas. So it can vary in terms of what places get what money. It is always a case of putting forward your best. That is what we try to do with these reviews...get back with the staff and try to make some recommendations on what they can add, change or delete to make their application stronger at the state level. So we will continue to fight for them.

The largest area is the Eastern Shore. Prince George's County is one of the smallest areas but is different in terms of the density of people. It has more people. There is a formula of about \$250,000 range that goes to each heritage area. It all depends. It is all about the application that fits the goals. Also, there are different priorities going on. The area gets more points if it is War of 1812 through the tourism board of the State.

Mayor Miles: For the last six years, that has been the driver. What are the new goals now?

Mr. Machovich: There aren't any goals right now. There is conversation that it might turn to some outdoor recreational related things like bike trails, and I think there is a very strong argument for the things like signage that feed into that. But there hasn't been made a policy for this particular round.

The next grant cycle meetings will start in October and November.

Councilman Bolin requests an update on the coordination for bike activity

Mr. Machovich: Daniel called and explained that she is trying to coordinate some more bike types of activity in (District 3). Her district runs East-West. ATHA runs North- South. She suggests working together with Councilwoman Tavaris' office and Councilman Turner's office.

They have held two meetings with municipal leaders discussing potential linkages, where those missing links might be, so that they can go after a Council Governments' Grant that will help fund shells and bike lanes for some of these missing connections. One of the biggest connections is a linkage that will go through the Whole Foods property in Riverdale Park and go through University Park. Then create a link between the NE and NW branches to form a circle. They are also working hard on the Charlie Trail to make sure that is coming in.

The interesting issue for the Mount Rainier community is that it is not directly on a trail. So ATHA had to bring them in from a direction that might not be normal. The Great Allegheny Passage will be helpful

because it has a program called Trail Towns that works well in the rural communities. It brings million dollars of investment through bicycles.

Rainier Manor Renovation -3001 Queens Chapel Road

Scott Links, Humphrey Management
2661 Riva Road, Annapolis, MD 21401

Rainier Manor is a 100-unit senior apartment building that Humphrey Management acquired in 2010. Prior to acquisition, there were serious structural deficiencies and water intrusion issues. Upon acquisition, they did a great amount of rehab: All new exterior, reduced density from 104 units to 100 units, added amenity spaces (theatre, game room with pool table and shuffle board table, add a library, and added a multi-purpose room for meetings and events.

On the backside of the building, there is an open space where they can fit an additional building. The team is here tonight to inform the community of their plans for Phase II of Rainier Manor. It would be a 57-unit apartment building for seniors similar to Phase I and would also consist of one- and two-bedroom units. Between the existing building and the new building, there will be a courtyard area. Once the new building is built, fences will be put up to block foot traffic going from the tennis courts to the back of the building. This will allow the residents to have a nice safe outdoor space for picnics and other activities. The new building will have complimentary amenities, including a Cyber Café with desktop computers for residents, another fitness center, a green house, laundry rooms, a library, another multipurpose room, salon, and a wellness center. Residents in both Phase I and Phase II will be able to enjoy the amenities in both buildings.

Mayor Miles asks about the timeline and how the development will impact the community. The county is going to be partially closing 34th street at the bridge.

Mr. Links: We have had 3-4 meetings with the current residents and will continue to have those as we get closer to the start of construction and then throughout construction to keep them abreast of where we are in the schedule and what to expect. Currently, we have financing applications with the State of Maryland and HUD. We are working through the financing now. Our goal is to have that financing worked out and construction to start at the end of the summer. Earliest would probably be July, but more realistically we are probably looking at August, early September. We should have building permits in hand within the next month or so.

As I said, we will have several meetings with the current residents and our current management company preconstruction to try to get a game plan of how we are going to be affecting the residence while we are on construction. One of the biggest things that we see is going to be the parking in that rear of the building...there is a loading dock where the trash trucks can get in and out. We need to keep access for that for the trash trucks. But for safety reasons, we are going to probably be fencing off any of the construction site that would be disturbed. That is for the residents' safety. The existing parking in front of the building currently is not ever %100 full. The total construction schedule now is 11 months. For the first 8 months at least, that back parking lot will likely be closed off.

34th Street will not be completely closed.

Mayor Miles suggests that Mr. Links speak with Queenstown and Queens Manor Apartments about the new development. Councilman Knedler mentions pervious surfaces and making Buchanan into a Green Street. Connecting to storm water drains.

According to Mr. Links, there is micro-bio-retention on-site so that storm water is treated on-site. Also, landscaping will be based on County requirements and will be geared toward creating an amenity space. Mr. Links is planning to use plants native to the area and is open to meeting with the Green Team.

Because of this project, Councilman Bolin suggests for Mr. Links to work with the city and the residents to lean on the county to work on the crossing at Queens Chapel Road. Councilman Christopherson has been working with the Maryland 500 committee. Mr. Links states that he is happy to help.

Monique Austin, Regional Manager for Humphrey Management speaks about her specific duties within the scope of the project. She manages Rainier Manor I and will also manage Rainier Manor II. Jill McGee will work with Mr. Links on the development of Rainier Manor II.

Tracy Lowe (4500 Block 32nd Street): I am a very close neighbor of Rainier Manor and I am one of the people that is constantly cutting across your property to go to the Price Right and get to the metro. And believe me, a fence will deter me. I will stop walking across the parking lot. I would really appreciate you finishing the sidewalk on 31st Street so that I can walk up to the Price right with my baby.

Ernest Wheeler (Rainer Manor Resident for 14 years) is concerned with the disrepair of the streets.

Julian Edwards (4200 block 30th Street): How close is that (the equipment) going to infringe on the nature center? There are still little kids running around there.

Mr. Links: We will be fencing off the perimeter of our property. There will be no equipment outside that fence.

Mayor Miles adds that the fence will touch the nature center because they are adjoining properties.

Policies and Procedures for electronic purchases and distribution

The Mayor drafted a policy and sent it to the councilmembers.

Construction, Redevelopment, Traffic Issues, etc.

Mayor Miles states that there are multiple projects going on in the city, including the Rainier Manor Development, the rebuilding of Buchanan Street, and the Levy Project. She suggests that there be a schedule to make sure there are no issues with construction and traffic. For example, the Buchanan Street project will cost \$250,000 - \$500,000. There is no need to spend on this project and have the trucks and heavy equipment from the Rainier Manor Redevelopment damaging it.

Councilman Christopherson explains that the first part of the **Levy Project** is the bridge, which will start in September and may last up to three years. Councilman Bolin and Mayor Miles think that major traffic issues will develop from these projects considering the density of Rainier Manor and Queenstown apartments.

The traffic light at Arundel and 34th might have to be changed or replaced. City staff will research how much a new light will cost. The City of Brentwood has indicated that it does not have money for a replacement. Mayor Miles states that an investigation into ownership rights to the light and the payment plans that are in place for Brentwood, if any, for the light must occur. This information will help the city to have a necessary conversation with Brentwood about this matter.

Ms. Veronica Owens provides an update on the Buchanan Green Street Project. She states that the city received all the information from Bio habitat that was needed to create the RFP and put it out to bid. However, staff wants to make sure that the RFP coincides with all the other projects before it is put out

again. Mayor Miles communicates that there needs to be a meeting of the parties involved in city development to talk about their current progress and the specifics of their implementation timeline. The city has one more year to use the funding provided for the Buchanan Green Street project.

Speed Humps on 28th

Councilman Bolin

The council will research and propose what it thinks is a safe solution for a traffic calming device on 28th. Then there will be a public hearing on the proposal.

FY 2016 Budget & Constant Year Tax Rate

Mr. Vijay Manjani

Tax Revenue (Total = \$3, 658,750)

* The proposed tax rate is 0.86 per \$100 of the assessed tax revenue

Anticipated revenues are as follows:

- Real Property Tax - \$2, 953,000
- Business Personal Property Tax- \$45,000
- Railroad & Utility Tax- \$75,000
- Property Tax Liens- \$10,000
- County Admission and Amusement Tax- \$5,000
- Shared State Income Tax- \$565,000

In the past, the city has taken a conservative approach. This time the approach is more moderate. For example, in 2014, the city received \$571,000 for Shared State Income Tax. So this line item was increased from \$530,000 to \$565,000.

The three-year cycle assessment ends in 2017.

License and Permits

Includes Comcast/Verizon PEG money, Residential License, Church Occupancy License , Business Occupancy License. Residential Rental License. Building Permit Fees. Vacant Building Registration Fees. Burglar Alarm Registration Fees. Other License & Permits (including Comcast/ Verizon Franchise Fees). and Mitigation Fees (Permeable Surface Fees)

This is the first year that mitigation fees have been implemented and the City has collected \$117 so far. The City Treasurer has proposed \$500 since this is the first year. Councilman Knedler believes that \$500 is too conservative since there is a new building being built at Rainier Manor and they will be required to pay the fee. Also any other development on the 3200 Block will also have to pay this fee.

The City Treasurer explains to the council and public that Public Education Grant (PEG) money is designated for the education portion of money received from Verizon and Comcast. In the franchise agreement, they designate a percentage of what is collected on the City's subscriptions to the TV program staff and equipment, INET, the police department safety and schools. Also, Commercial District Management Association (CDMA) fees are business association fees.

Councilwoman Riposa wonders why the residential rental actual for 2015 is much higher than the budget. City Treasurer Manjani explains that the city used to collect this fee every two years. Now it collects it every year.

Councilman Knedler inquiries into why the Trader's License was removed since every year \$250-\$300 is usually collected. City Treasurer Manjani explains that this money comes from the court, which is collected when that person comes in. The amount is very small so he budgets that amount, but the city is not receiving enough to count it. Also, the Mayor adds that the city is not getting all the money for the traders around the city because they are not caught.

Intergovernmental Revenue – Total \$168,000

Highway User Fees- \$39, 500
State Police Aid- Reduced to \$100, 000.
Garbage Disposal Fee Aid
Financial Cost

Charges for Services- \$51,000

MOU with North Brentwood- Mayor Miles believes it has not been renewed. It will be reduced to \$0
Parking Meter Revenue- \$8,000
Multi-Family Trash Fees- \$3,500
Refuse Collection Fees-
Trash xxx Fees
CDMA
Call-A-Bus Revenues – Doubled in amount because of the contract with Joe's Movement

Fines & Forfeitures

Parking Violation
Meter Violation
Municipal Code Violation- Reduced for a conservative approach

Miscellaneous Revenues - \$40,000

Includes Rent Income, Nominal Packing Trust Insurance Damage Recovery, Mount Rainier Day Revenues
Tool Shed / Bike Co-op Revenues
National Night Out Revenues
Youth Recreational Income
Farmer's Market Revenues
Speed Camera Violations- \$5,000
Transfer from Reserves
General Fund Revenues- \$5, 069,000

A resident requests further explanation on Craft Sale Revenue and COPRA payments. The City Treasurer explains that the Craft Sale Revenue item came from the sale of City of Mount Rainier paraphernalia such as T-shirts and hats at the craft fair. A decision has not been made regarding the Gateway 5k in 2016, which is why the budget is \$0 for that line item. However, even if the race was held, the money that is received is spent on the event, therefore netting the city \$0 profit.

Compost Revenue is from the sale of compost bins. Councilman Knedler suggests that the word "Bins" should be added to the line item title. Also, Councilman Knedler notices that there is a transfer from the reserves for speed cameras and requests further explanation. City Treasurer Manjani states that when the City had the speed camera revenue, all the revenue was required to be spent on public safety expenditures. Any unspent money was put in the reserves. It shows up in the budget every year as restricted funds for public safety expenditure. That is why it was shown separately.

Councilman Christopherson believes the budget has structural deficiencies and that the City has been lucky in the past. This comes from his analysis of what is coming in and what is going out. In short, City Treasurer Manjani states that money is coming from the City Reserves because the city revenues are shorter than its projected expenditures. In the past, there was some unexpected income but all the departments still took a conservative approach by working very hard to reduce their budget expenditures. Additionally, the budget is short by \$433,500. This is money that the city has in the reserves and the request is being made to transfer it.

This money will be used for a bond payment of \$179,000, which the council was informed the City's revenue could not sustain and would be taken out of the reserves because it was anticipated that development was coming and the builders would pay back this money.

Councilman Christopherson: Where does that put our reserve level compared to the optimal reserve level?

City Treasurer Manjani: From the last budget FY2014, I believe we have unassigned a total of restricted funds, approximately, \$2.7 Million. So if we reduce this, it will be \$2.3 Million. And I believe any healthy reserve should be 6 months to 8 months of expenditures. I think we have about \$400,000 of expenditure every month.

Councilman Christopherson: So we are good now, but these budget levels, especially since we have so much invested in salaries, we are going to be drawing down the reserves on an ongoing basis it looks like unless some miracle happens and we get more revenue.

Mayor Miles: The answer is yes and that is why we are going to have the whole budget discussion. We are going to make this decision as hard as it may be. Do we continue going in this direction or we bite the bullet as Mr. Bolin has offered at least three times in the last four years...raise taxes, cut something. That is why we are here not him. That is where we are. Right now he is saying that we are living out of the reserves. At some time we will have no more reserves and what are you going to do to fill the gap? That is the question we are going to have to answer.

Councilman Christopherson is concerned that the money is being pulled out to go towards repeating expenses such as salaries. These are not line items that would provide returns on investment. He believes that the reserves are at its optimal level and that no more money should be withdrawn. City Treasurer Manjani adds that he is working with the State Department Assessment and Taxation to figure out the increases for the end of the year property assessment taxes. Also, in every department, the city has reduced 10%-15% of the line item.

Councilman Bolin agrees that the City has not been budgeting the right way and this has been a concern of his for some time. He believes everyone is hoping for the tax assessments to go back up and fix a lot of problems. This method is just wishing and hoping. Right now, the council must play catch up. According to him, the council must be judicious. He agrees with having six months of operating reserves in there and being very choosy about how the money in reserves is spent. Currently, he hopes that conservative budgeting by staff holds up and would like to see the City balance the budget as a best practice.

Councilwoman Riposa is for balancing the budget as well.

Election Signs

Election Judge, Mr. Casey Jones, presents the signs he is putting up around the city. If any residents would like to put a sign in their yard, they are to contact City Hall.

Ms. Copeland presents the Mayor and Council with the latest legislative report from Senator Ramirez

Departments

Other Service and Charges- Total \$18, 450

- City sponsored meetings
- Travel expenses
- Conference expenses- reduced from \$7,000 to \$6,000
- Association dues- reduced from \$9,000 to \$8,000
- Flowers and gifts- \$1,250

Legal & Elections Department- Total \$56,000

Election Costs- \$0

Legal Services- increased from \$35,000 to \$40,000 for the redevelopment legal issues

Mayor Miles states that election costs will never be zero again.

City Hall

Leave Pay- \$379, 500

Employee Benefits and Services- \$141,000

Material & Supplies

Postage & Delivery

Computer Equipment & Supplies

*Every line item has been reduced

Professional Services- Total \$36, 250

Computer Services

Bank Charges

Office Equipment Lease

Office Equipment Maintenance Contract

Employee Training

Classified Advertising

Printing & Copying

Payroll Expenses

*The Financial Department Assistant is expected to take 2-3 months leave so a request has been made for \$2,000 for temporary labor. The rest is the same.

Other Service Charges

Cable Charges and Convention expenses

Subscription Dues

Publication and Miscellaneous Purchases

*Conference and Convention line item was reduced from \$9, 500 to \$8,000.

Utilities & Internet- reduced to \$26,250

(Includes telephone, electricity, heat, and building repair and maintenance fees)

*Solar Panels are helping with reducing the electric bills.

Total Expected expenditures from City Hall = \$632,750

Economic Development Department

This past year, the city hired an Economic Development Director. Expenses include leave pay, employee benefits & services, material & supplies, postage & delivery, repair & maintenance, equipment repair & maintenance (\$750 & \$250)

Professional services- \$7,500

(Computer software & equipment, Temporary labor classified advertisement, Printing & copying)

The total budget for this line item will be reduced to \$3,000.

City Properties

3601 Bunker Hill Road - \$6,000

3405 Rhode Island Avenue - \$10,000

3409 Rhode Island Avenue - \$12, 250

3200 Rhode Island Avenue (Library)- \$10,750

3204-3208 Rhode Island Avenue (Bass Property) - \$500

The fees associated with the properties include utilities, maintenance, building repairs, heat, and electricity. The City treasurer predicts heat will go up across the board. He anticipates that the public library will need more heat because of its usage. Based on Councilman Knedler's suggestion, the City Treasurer will look into a programmable thermostat to reduce heat costs in the library.

Communications & Newsletter

Postage & Delivery

Computer services, master fees, massive production, cable charges, computer networking,

Massive production reduced by \$5,000. When color was added to the front page of the newsletter, the cost increased by \$150 per month.

Councilman Knedler wants to discuss the option of the new website with staff.

MRTV – Total \$71,750

Leave pay

Employee benefits and services

Materials & supplies – reduced from \$5,500 to \$2,500

Equipment & repair- reduced from \$2,500 to \$1,500

Councilman Christopherson notes that the city is budgeting more for salary than it is currently using. City Treasurer Manjani informs him that this is an hourly position and that more hours have been picked up recently. Mayor Miles adds that this position is currently part-time and the goal is to have a full-time position moving forward.

Councilman Knedler addresses the discrepancy between incoming revenue and expenditures in the MRTV department budget. The City Treasurer explains to him that the City is estimated to receive \$110,000 from the Verizon franchise and about \$70,000 from the PEG money. The PEG money and a portion of the Verizon franchise revenue fund the department's expenditures. The other portion of the Verizon Franchise goes to the General Fund.

Department of Public Safety

Leave pay

Employee benefits and services

Materials & Supplies-

- Postage & Delivery, Computer supplies, Uniforms, Firearms, Fire Arm Supplies, and Uniform Cleaning expenses
- Supplies and equipment were reduced from \$7,500 to \$6,000

- Uniforms- reduced from \$6,500 to
- Fire Arm Supplies- remain at \$750
- Vehicle Fuel & Oil- (Has not come from the county yet)

Repair & Maintenance – Total \$30, 250

- Includes radio, vehicle, equipment, and security camera repair & maintenance. Reduced the funding for vehicle repair and maintenance from \$33,500 to \$28,000.

Professional Service- Total \$109, 300

- Includes computer services, dispatch services, office equipment lease, employee training, testing, and printing & copying.

Councilman Bolin will not be standing for re-election in May of this year. He has accepted a position as a Regional Director with a National Non-profit.

March 18th, 2015 (6:00- 8:00pm) - State Highway Administration is holding a public forum at Mount Rainier Elementary

March 18th, 2015 (7:00- 9:00pm) Architectural Zone Meeting at the Nature Center.

Motion to adjourn and move into a closed session for the purpose of discussing personnel and legal matters.

Councilwoman Riposo

2nd Councilman Knedler

4-0

1:24:13

1:34 16