

August 6, 2020

The regular meeting of the County Commissioners of Allegany County was held in the Commissioners' Meeting Room, Allegany Room 100, 701 Kelly Road, Cumberland, at 5:00 p.m. on the above date. The following were present: Commissioner Jacob C. Shade; Commissioner Creade V. Brodie, Jr.; Commissioner David J. Caporale; and County Administrator Jason M. Bennett. County Attorney T. Lee Beeman, Jr. was not present at this meeting. The following business was transacted:

The Pledge of Allegiance was recited by all present.

MOTION

There were no additions or deletions to the Agenda.

MOTION

Upon Motion by Commissioner Brodie, seconded by Commissioner Caporale, and Motion carried, the Commissioners approved the Minutes of the July 23, 2020, public business meeting.

ACTION AGENDA

Item 1 – Code Home Rule Bill 2-20 – Introduction – “General Obligation Refunding Bond and Project Authorization” – Jason M. Bennett, CPA, County Administrator, requested that the Commissioners agree to the introduction of Code Home Rule Bill 2-20 – “General Obligation Refunding Bond and Project Authorization”. Mr. Bennett pointed out that the markets are really good right now for bonds with interest rates. He explained that introduction of Code Home Rule Bill 2-20 this evening would be the first step to refinance all of the County's general Obligation debt, for a savings of money. Mr. Bennett reminded the Commissioners of the steep effect COVID will have, along with budget cuts by the State, and added that refinancing the general obligation debt could result in a savings of \$1.5 million a year for three to five years. He said that he would provide additional details going forward, but just wanted to get things started this evening by having the Bill introduced. Mr. Bennett explained that public hearing on the Bill would then be held on August 27, 2020, with possible action to be taken on it that day, making the Code Home Rule Bill 2-20 effective October 12, 2020. He added that the goal would then be to go to market before the November election, since elections can have a dramatic effect on interest rates.

Commissioner Shade thanked Mr. Bennett for his work regarding this Item, and commented that refinancing makes a lot of sense, with a substantial savings to the County.

Upon Motion by Commissioner Shade, seconded by Commissioner Caporale, and duly carried, the Commissioners agreed to the introduction of Code Home Rule Bill 2-20 – “General Obligation Refunding Bond and Project Authorization”.

Item 2 – Real Estate Tax Set Aside (RETSA) Agreement – Board of County Commissioners to approve a Real Estate Tax Set Aside Agreement between Evergreen Associates, LLC, the City of Frostburg, and the Allegany County Commissioners – Jason M. Bennett, CPA, County Administrator, provided background and information about the proposed Real Estate Tax Set Aside Agreement (RETSA) with Evergreen Associates, LLC and the City of Frostburg. He explained that basically this would replace the expired RETSA entered into with Pritchard Farms years ago, so that the original project can be completed and Evergreen Associates can make necessary infrastructure improvements.

Upon Motion made by Commissioner Caporale, seconded by Commissioner Brodie, and duly carried, the Board of County Commissioners approved a Real Estate Tax Set Aside Agreement between Evergreen Associates, LLC, the City of Frostburg, and the Allegany County Commissioners.

Item 3 – Property Tax Credit for Fiscal Year beginning July 1, 2020 through June 30, 2021 – Board of County Commissioners to grant property tax credits pursuant to Tax Property Article §9-302(b), for fiscal year beginning July 1, 2020 through June 30, 2021 for the following entities: Frostburg Lions Club, Inc., LaVale Lions Foundation, Inc., Western Maryland Scenic Railroad Development Company, Cumberland Cultural Foundation, Allegany County Agricultural Expo, Carver Community Center, Inc., Family Junction, Inc., The Lions Center for Rehabilitation and Extended Care, Inc., and the Allegany County Animal Shelter Management Foundation, Inc.; and grant property tax credits pursuant to Tax Property Article §9-302(c) for fiscal year beginning July 1, 2020 through June 30, 2021 for United Brotherhood of Carpenters, Local 1024, and Western Maryland Central Labor Council; and grant property tax credits pursuant to Tax Property Article §9-302(f) for fiscal year beginning July 1, 2020 through June 30, 2021 for Cumberland Outdoor Club – T. Lee Beeman, Jr., County Attorney. County Administrator Jason M. Bennett presented Item 3 in

place of County Attorney Lee Beeman, who was not able to attend this evening's meeting. Mr. Bennett explained that tax credits have been granted each year by the County to certain organizations who are tax-exempt per action of the General Assembly. He further explained that these organizations do have to submit a request to the County each year for the exemption, and that the County's Attorney's Office has collected all of this year's requests, now before the Commissioners. Mr. Bennett mentioned some of the organizations requesting the tax credit: Frostburg Lions Club, LaVale Lions Club, Western Maryland Scenic Railroad, Cumberland Cultural Foundation, Carver Community Center, Family Junction, and the Allegany County Animal Shelter, among others. He confirmed that this would be a tax exemption/credit for Fiscal Year 2021.

Upon Motion by Commissioner Brodie, and seconded by Commissioner Caporale, the Board of County Commissioners granted property tax credits pursuant to Tax Property Article §9-302(b), for fiscal year beginning July 1, 2020 through June 30, 2021 for the following entities: Frostburg Lions Club, Inc., LaVale Lions Foundation, Inc., Western Maryland Scenic Railroad Development Company, Cumberland Cultural Foundation, Allegany County Agricultural Expo, Carver Community Center, Inc., Family Junction, Inc., The Lions Center for Rehabilitation and Extended Care, Inc., and the Allegany County Animal Shelter Management Foundation, Inc.; and granted property tax credits pursuant to Tax Property Article §9-302(c) for fiscal year beginning July 1, 2020 through June 30, 2021 for United Brotherhood of Carpenters, Local 1024, and Western Maryland Central Labor Council; and granted property tax credits pursuant to Tax Property Article §9-302(f) for fiscal year beginning July 1, 2020 through June 30, 2021 for Cumberland Outdoor Club

Item 4 – Manufacturer's Tax Exemption – Board of County Commissioners to approve the manufacturer's tax exemption for equipment purchased in 2019 by AES Warrior Run Limited Partnership. The exemption granted for this applicant is for \$1,472,404 less \$50,000, and for a period of ten years beginning with tax year 2020-2021 – T. Lee Beeman, Jr., County Attorney. County Administrator Bennett also presented Item 4 in place of Attorney Beeman. He explained that this is also an annual tax exemption, and it is granted to AES Warrior Run, the only recipient of this credit in Allegany County. He provided the Commissioners with details of the exemption and asked that they approve and grant this exemption to AES Warrior Run for Fiscal Year 2021.

Commissioner Caporale moved that the Board of County Commissioners approve the manufacturer's tax exemption for equipment purchased in 2019 by AES Warrior Run Limited Partnership. The exemption granted for this applicant is for \$1,472,404 less \$50,000, and for a period of ten years beginning with tax year 2020-2021. Commissioner Brodie seconded the Motion. Motion carried to approve the Manufacturer's Tax Exemption to AES Warrior Run Limited Partnership.

Item 5 – Penn-Mar Recycling, LLC/Purchase Agreement Early Payoff and Property Transfer – Board of County Commissioners to accept \$413,304.97 as payment in full and to authorize transfer of the subject property located in Riverside Industrial Park to Penn-Mar Recycling, LLC – Gregory B. Hildreth, Economic Development Specialist with the Department of Economic and Community Development, came forward with Mr. Steve Miller of Penn-Mar Recycling, LLC. Mr. Hildreth told the Commissioners that he was present to request the Commissioners' approval of the transfer of property in Riverside Industrial Park to Penn-Mar Recycling, LLC per Penn-Mar's option to purchase the property, which they have been leasing from the County. Mr. Hildreth explained that Penn-Mar Recycling has been leasing about 120,000 square feet at 975 Kelly Road, Cumberland, plus approximately 11 acres of ground surrounding the back side of the building. He introduced Mr. Steve Miller, President of Penn-Mar Recycling, LLC, and pointed out that the County has been working with Penn-Mar since 2011. Mr. Hildreth remarked that Penn-Mar has been a good partner to the County, and then invited Mr. Miller to say a few words.

Mr. Steve Miller provided a brief history of his business, which he started in 2011 with 10,000 square feet. He commented that he and his company have had a great relationship with the County and acknowledged the assistance of County personnel in helping the business to grow. Mr. Miller expressed his thanks to the County.

Mr. Hildreth then asked the Commissioners to approve the amount of \$413,204.97 as payment for the purchase of the property by Penn-Mar Recycling, LLC, and to authorize transfer of the property to them.

Commissioner Brodie also talked about the great relationship between the County and Penn-Mar Recycling, and thanked Mr. Miller for his investment in Allegany County and for being a great partner.

Upon Motion made by Commissioner Brodie, seconded by Commissioner Caporale, and duly carried, the Board of County Commissioners approved and agreed to accept \$413,304.97 as payment in full and authorized transfer of the subject property located in Riverside Industrial Park to Penn-Mar Recycling.

Item 6 – Resolution 20-11 – Maryland Mortgage Program – Board of County Commissioners to authorize the transfer of \$2,608,331 to the Community Development Administration’s Maryland Mortgage Program for issuance of tax-exempt housing bonds on behalf of Allegany County, and authorize the President to sign the Letter of Transfer – David K. Nedved, Economic & Community Development Representative, presented background and information regarding the Maryland Mortgage Program, as set forth on his staff report on the subject dated July 15, 2020, a copy of which is attached to and made a part of these Minutes.

Commissioner Brodie moved that the Board of County Commissioners authorize the transfer of \$2,608,331 to the Community Development Administration’s Maryland Mortgage Program for issuance of tax-exempt housing bonds on behalf of Allegany County, and authorize the President to sign the Letter of Transfer. Commissioner Caporale seconded the Motion, and Motion carried to approve and authorize.

CONSENT AGENDA

As recommended by the County Administrator

Upon Motion by Commissioner Caporale, seconded by Commissioner Brodie, and Motion carried, the Board of County Commissioners adopted the Consent Agenda as recommended by the County Administrator.

Item 7 – Senior Care System Annual Plan – Board of County Commissioners authorized the County Administrator to sign the Maryland Office on Aging Senior Care System Annual Plan Review and Approval for Fiscal Year 2021. The Allegany County Health Department serves as the lead agency for the Senior Care Program at the request of the County Commissioners and administers the grant funds received from the Office on Aging.

Item 8 – Frostburg State University COVID-19 Testing Program Bid Award – Board of County Commissioners awarded the Frostburg State University COVID-19 Testing Program to Aeon Technologies, LLC, Frostburg, Maryland, in the amount of \$86.00 per test with a maximum of 200 tests per week to Frostburg State University students and faculty for seven consecutive weeks commencing on August 10, 2020. This will assist Frostburg State University in re-opening and will be paid for with Federal CARES funding.

Item 9 – Oldtown Roads Garage #3 Design and Construction Bid Award – Board of County Commissioners awarded the Oldtown Roads Garage #3 Design and Construction project to Braddock Construction, LLC, LaVale, Maryland, in the amount of \$365,200, and authorize the President of the Board of Commissioners to sign required project documents.

Item 10 – George’s Creek Brodie Road Stream Restoration Contract AC-20-SR-02 Bid Award – Board of County Commissioners awarded Contract AC-20-SR-02 George’s Creek Brodie Road Stream Restoration project to Excavating Associates, Inc. in the amount of \$103,028, subject to award concurrence by the Maryland Department of Natural Resources, and authorized the President of the Board of County Commissioners to sign necessary award documents and agreements to proceed to construction.

Item 11 – Summit Subdivision Roads Acceptance into the County System – Board of County Commissioners authorized Harwood Drive, SW, Summit Circle, SW, and Whispering Pines Lane to be adopted into the County Roads system and be accepted for maintenance.

Constituents – In order of sign-up sheet –

Mr. Wayne Rugh, of LaVale, Maryland, told the Commissioners that he was present to request a review and a possible variance on a situation involving Skyview Drive, which he explained is located right below Sunset Drive in Sunset View, on the north side of Sunset View. Mr. Rugh said that he had provided the Commissioners with a plot plan of Skyview Drive, and added that included in Skyview Drive are twenty-five properties that pay taxes. Mr. Rugh went on to report that there are fifteen dwellings located on those twenty-five properties, and that he estimated that \$50,000 per year in taxes are paid on those properties. He continued on with his history of Skyview Drive and Sunset View.

Mr. Rugh talked about meeting with County Engineer Adam Patterson last Fall to discuss the possibility of the County taking Skyview Drive into the County Roads System. He said that when he and Mr. Patterson met again in late May, Mr. Patterson told Mr. Rugh about the rules that apply for the County to take over certain roads. There is a slight incline on Skyview Drive, that Mr. Patterson said is over a twelve percent incline. Mr. Rugh asked the Commissioners to review the issue, give it some thought, and consider granting a variance regarding the twelve percent incline. He pointed out that the property owners on Skyview Drive have been maintaining the road for snow removal and have also had it blacktopped.

Mr. Rugh thanked the Commissioners for their thoughtfulness and consideration of a variance, and asked if they had any questions.

Commissioner Shade told Mr. Rugh it is rare that a road is taken into the County system, but that three roads were taken in earlier this evening, and the Commissioners would absolutely take his request for Skyview Drive under consideration. Commissioner Shade remarked that he thought it was a good idea.

County Administrator Jason M. Bennett had no further comments to make this evening.

Commissioners' statements, comments, recognition –

Commissioner David J. Caporale had no further comments to make at this evening's meeting.

Commissioner Creade V. Brodie, Jr. said he had nothing to add this evening, other than to point out that the Creek Brodie Road Project presented earlier (Item 10 on this evening's Consent Agenda) is not even remotely related to him.

Commissioner Jacob C. Shade had no further remarks to make at this evening's meeting.

Reminders/Upcoming Meetings –

Next Public Business Meeting – Thursday, August 27, 2020, 5:00 p.m.

ADJOURNMENT:

There being no further business to come to the attention of the Board, the meeting was adjourned at 5:25 p.m.

Jacob C. Shade, President

True Copy
Attest:

Cynthia A. Young
Recording Secretary



ALLEGANY COUNTY
DEPARTMENT OF ECONOMIC
& COMMUNITY DEVELOPMENT

Item 6

701 Kelly Road, Suite 400 • Cumberland, Maryland 21502

STAFF REPORT

TO: Jason M. Bennett, Interim County Administrator
FROM: David K. Nedved, Economic Development Representative
DATE: July 15, 2020
RE: Maryland Mortgage Program

For the Agenda of: August 6, 2020

Background: The Maryland Community Development Administration (CDA) provides financing for the Maryland Mortgage Program to each county through the sale of tax-exempt bonds. This program provides below-rate mortgages for homeownership to the residents of Allegany County. All of Allegany County is considered a targeted area, which means one does not have to be a first-time homebuyer to participate in this program. The 2020 sub-allocation for Allegany County is \$2,608,331. The Maryland Mortgage Program offers a variety of programs. See the attached document for more information or visit the web site at <http://mmp.maryland.gov>. Since Allegany County is a targeted area, current income limits to qualify are \$121,560 for one or two persons in the household with an increase to \$141,820 for a family of three or more. The maximum acquisition cost is \$360,067 for Existing or Newly Constructed Homes.

The program is accessed through various mortgage lenders throughout the State of Maryland but in Allegany County the participating lenders are BB&T Corporation and First United Bank & Trust. The contact for the program at BB&T Corporation is Kelli Palamar. Her phone is 301-991-8488 and her e-mail is kpalamar@bbandt.com. The contact for the program at First United Bank & Trust is Travis Bohrer. His phone is 301-722-2899 and his e-mail is tbohrer@mybank.com.

Issues: The deadline for CDA's receipt of the 2020 Bond Allocation Transfer Letter was July 1, but Allegany County can still submit.

Financial Impact: N/A

Alternatives: N/A

Other Considerations: N/A

Conformity to County Policy: Allegany County has been approving the transfer of funds to the Community Development Administration's Maryland Mortgage Program for issuance of tax-exempt housing bonds for over ten years.

Recommendation: Recommend that the Board of County Commissioners authorize transfer of \$2,608,331 to the Community Development Administration's Maryland Mortgage Program for issuance of tax-exempt housing bonds on behalf of Allegany County and authorize the President to sign the Letter of Transfer.

cc: Jeffrey S. Barclay, Director – Economic/Community Development
Jason M. Bennett, Director – Finance
T. Lee Beeman, Jr., County Attorney