

City Council of the City of New Castle
Regular City Council Meeting
Town Hall, 201 Delaware Street, New Castle
Tuesday, April 12, 2016 at 7:00 p.m.

Call to order: 7:00 p.m.

Roll Call:

Councilperson Megginson - present
Councilperson Vannucci - present
Council President Ratchford - present
Councilperson Petty - present
Councilperson Di Mondì - present

Also present:

Janet Carlin, City Treasurer
Daniel Tjaden, Police Chief
Daniel Losco, City Solicitor
Jeff Bergstrom, Building Official
William Barthel, City Administrator

Change to the agenda:

Resolution 2016-09 to approve City Incentives to encourage new businesses related to the Downtown Development District was withdrawn.

Approval of Minutes by Date: 3/8/2016 Regular Monthly Meeting and **Approval to Accept Staff Reports** as submitted.

Councilperson Megginson motioned and Councilperson Petty seconded approval of the Minutes and Staff Reports without changes. **The motion passed unanimously.**

Approval of Treasurer's Report:

City Treasurer Janet Carlin reported on the balances of the City's accounts as of March 31, 2016. The total cash on hand in all accounts is \$3,693,643.12.

Councilperson Petty motioned and Councilperson Megginson seconded approval of the Treasurer's Report as presented. **The motion passed unanimously.**

Report from the City Administrator & Staff:

City Administrator Barthel:

- Two bids were received for the building of the pier. The lowest bid is \$1,191,554 from Dissen & Juhn. Representative Mulrooney has identified \$225,000 of additional State funds to fill the gap between the funding currently available and the bid.
- The City is negotiating with the Municipal Services Commission regarding a change to their charter. The issues being discussed are related to leases. City Solicitor Losco is

working with the MSC attorney. An agreement has been reached to provide the City with free water and electric at MSC cost as previously discussed with Council.

Police Chief Tjaden:

- There have been two robberies and the police have good film of both incidents.
- If anyone is the victim of tax fraud, the police would like to know.

Council Communications:

Councilperson Petty:

Mt. Salem United Methodist Church Friends Group is working on 501©3 status to become the owners of the church. On April 20, the group will meet with the district superintendent to find out what else needs to be done to have the church turned over to the group as a museum and wedding location.

Councilperson Di Mondì:

The bids for pier construction are of concern. There have been three bids of which two are within \$100,000 of each other. The third bid is 200% lower. Something smells.

Councilperson Di Mondì has heard that the winning bidder has a relationship with Duffield Associates. Just the materials for the project cost more than \$1,000,000.

Councilperson Vannucci:

The Trustees have offered to build a parking lot at 3rd Street in lieu of providing funds directly to the City. He believes that is not an equal substitution. Councilperson Vannucci asked City Solicitor Losco who owns the space by the tennis courts? Mr. Losco advised that a title search revealed that most of the land belongs to the City. The strip that dissects the property that used to be a railroad track belongs to the Trustees. There is an agreement with the City for the Trustees to manage the property. The area off of 3rd Street designated for a parking lot belongs to the Trust.

The City Administrator interjected that the Trustees have been advised that the City does not necessarily believe that they control the property.

Councilperson Vannucci stated that the Trustees are just telling City Council what they're going to do without any discussion. They are picking on the baseball teams, cutting trees down and putting trees in with no communication with the Council and Citizens.

Councilperson Di Mondì agrees with Councilperson Vannucci. He believes that the City subsidizes the Farmers Market with police coverage, etc. to the tune of \$250,000 without reimbursement. The Trustees have gone from being paternal to dictatorial. The Council finds out about what is going on from the News Journal. The Trustees are taking away part of the Little League Field for monetary reasons.

Councilperson Megginson said that he doesn't have anything nice to say so he won't say anything.

Business from the Mayor:

None

Business from the Council President:

None

Business from the Floor (concerning agenda items only):

Eleanor Allione of DE C.O.P.S. spoke on behalf of an organization of survivors of fallen police officers. Part of organization mission is to be sure that no officer that dies in the line of duty is ever forgotten. Patrolman Thorn died while patrolling in the City of New Castle in the 1926 but his name was not included in the National and State Memorials. The organization is working to rectify that omission.

Retired New Castle Police Chief McDerby congratulated Lt. Brams on his retirement. He served with him for 13 years and has never met a finer person in police service. Chief McDerby commented that Charles Thorn was killed in 1926 while patrolling in the City of New Castle and is now remembered at the law enforcement memorial in Washington, DC and in Dover and will now be memorialized in the City.

Ray Peden of West 4th Street is a retired State Trooper whose family has lived in New Castle since 1894. He did some research about Patrolmen Thorn to learn that he lived on Gray Street and died from injuries sustained while on patrol. He has found a granite plaque that would cost \$1,900 and someone that will install it at no charge. City Administrator Barthel and Mr. Peden have identified a suitable location.

Motion, Discussion and Vote on Resolution No. 2016-08 to recognize Lt. Adam Brams on the Occasion of his Retirement from the New Castle Police Department.

The **Motion** to consider Resolution No. 2016-08 was made by Councilperson Vannucci and seconded by Councilperson Megginson.

President Ratchford read the resolution.

Resolution No. 2016-08 passed unanimously.

President Ratchford thanked Lt. Brams for his service, in particular his supervision of the VIPS which are a great addition to the City

Mr. Barthel echoed the President's comments. He has worked with him on many projects and found him to be a great partner. He appreciates everything the Lieutenant has done for the City.

Chief Tjaden thanked him for a seamless transition when he became Chief. Lt. Brams was great at handling all of the department administration.

Lt. Brams stated that it has been an honor and privilege to serve the City. The time went by in the blink of an eye. He has learned about himself, others and life and met so many fine

people on the way. He believes that the New Castle VIPS are the finest volunteer police force. The Lieutenant came to town knowing that he wanted to be police officer and decided on his first visit that he wanted to be an officer here. His future includes being a Constable at Wilmington University with a goal of earning his Masters degree to teach at the University.

Ginsy Bates spoke on behalf of the VIPS to thank Lt. Brams for his help and guidance. They always found him to be professional and supportive.

Old Business

Presentation and Discussion concerning Downtown Development District Application and City Incentives to encourage new businesses by Chris Rogers from AECOM.

Mr. Rogers is working with the City to garner Downtown Development District application approval. The purpose of the State Downtown Development District is to encourage reinvestment in Downtowns. It is in form of grants and rebates 20% of investments that meet the program guidelines. The municipality has to apply to be designated. The application process involves submitting a plan and a complete application that justifies participation through needs and benefits. Currently, Wilmington, Dover and Seaford are designated. New Castle applied for funds to develop the plan required for the application. The application scoring is based 50% on needs and benefits, 30% on the plan and 20% on local incentives offered.

Mr. Rogers is working with a Task Force of City Staff and volunteers. The final draft will go to the Task Force this week. The Application must be submitted by June 1.

Downtown Development District plan was supported by a highly publicized online survey. Good feedback was received from the 350 submissions and the responses were made available to the Task Force.

The district will include Delaware Street and the gateways from the south and Ferry Cut-Off.

As with any State Program, for the City to be eligible, local incentives must also be offered. The incentives used by the three cities currently in the program were reviewed and include tax abatements, waivers of sewer impact fees, and historic property tax credits. The recommendation for a local incentive is a tax freeze for five years on property that has a \$25,000 or greater investment. Both new construction and reinvestment would be eligible. The incentives only last as long as the State continues program are revenue neutral to the City. Another potential local incentive is to offer streamlining of review and permitting processes. Dover and Wilmington have added streamlining for requests within their districts. Existing incentives will be included such as the Downtown Gateway that allows a wide range of uses and the Historic Commercial Zoning also allows a range of uses. The final resolution will come before Council in May for approval of the Application.

Councilperson Di Mondì believes that a five year freeze of taxes from a major project can cost a lot in terms of services provided by the City.

Councilperson Megginson recommends that the tax incentives be scaled over the five year period with tax payments to be 20% the first year, 30% the second year, etc. He thinks that \$25,000 is too low and should be \$100,000 or more.

New Business

Motion, Discussion and Vote on Resolution 2016-10 in support of Patrolman Thorn Memorial.

The Motion to consider Resolution No. 2016-10 was made by Councilperson Vannucci and seconded by Councilperson Petty.

President Ratchford read the resolution.

Resolution No. 2016-10 passed unanimously.

Motion, Discussion and Vote on Resolution 2016-11 to approve the Mayor's Appointments to the Board of Health.

The Mayor requests the reappointment of Jeffrey Davis, Dr. Joanne Viola, Joseph F. Day III, William Hentkowski and Faythe Waterloo and the new appointment of Marie Gatter, a retired attorney.

Councilperson Megginson stated that he is retiring from the Board of Health. During the years that he has served, the current group is the most dedicated. Previously, they often didn't have quorum and nothing was accomplished. The current Board members have attended the meetings and much has been accomplished. He believes that Marie Gatter is a good addition to the Board.

The Motion to consider Resolution No. 2016-11 was made by Councilperson Megginson and seconded by Councilperson Petty.

President Ratchford read the resolution.

Resolution No. 2016-11 passed unanimously.

Motion, Discussion and Vote on Resolution 2016-12 to approve a Minor Subdivision for a Property Located at 423 West 7th Street.

The Motion to consider Resolution No. 2016-12 was made by Councilperson Di Mondì and seconded by Councilperson Megginson.

President Ratchford read the resolution.

Resolution No. 2016-12 passed unanimously.

Discussion regarding the disposition at the Sheriff's Sale for 717 Center Street.

City Administrator Barthel reminded Council that he reported at last month's Council Meeting on four New Castle properties being offered at the Sheriff's Sale. Two were sold, one was stayed due to bankruptcy and the property at 717 Center Street did not sell. After processing is complete, the property at 717 Center Street will become City property. The day after the Sheriff's Sale, City Solicitor Losco was approached by someone with an offer of \$6,000. The City costs related to the property are around \$14,000. The Trustees are interested in purchasing the property to be rehabilitated and sold.

Jim Meek spoke on behalf of the Trustees regarding the renovation of 717 Center Street in Dobbinsville. The Trustees have discussed the number of boarded up properties in the City and have looked at programs for rehabilitation. The New Castle County Community Stabilization Board has been identified as the best match. The Trustees would buy the property and contract with the Stabilization Board to bring in the contractors to fix up the property. The Stabilization Board would sell the property and require that the purchaser live in the property for several years. Of the \$14,000 owed to the City, \$10,000 is for the Excessive Consumption of Services. The Trustees ask that the \$10,000 be waived and they would pay the remaining \$3,100 for the property.

Councilperson Di Mondì spoke to Mr. Meek previously about the program and is glad that the Trustees are moving forward.

Councilperson Petty asked if house costs more than expected to rehab, will the Trustees still pay the City the \$3,100. Mr. Meek responded that the Trust will commit to pay.

Councilperson Megginson would like the Trust to pay \$4,000.

The City Solicitor explained the timing for the transfer. The property went to Sheriff's Sale last month and the current owner has 60 days to pay the bid plus 15% to keep the property. What is currently for sale is the winning bid not the property. Council has a duty to maximize return to citizens but there is valid consideration in having an owner occupied home. If the City gets the property, the surplus property process must be followed. The \$6000 offer has been temporarily withdrawn.

Councilperson Di Mondì **Motioned to accept the Trustees of the Common offer to purchase the property as is for \$3,100** and Councilperson Petty seconded.

The Motion passed with the Council votes recorded as follows:

- Councilperson Megginson - no
- Councilperson Vannucci - no
- Council President Ratchford - yes
- Councilperson Petty - yes
- Councilperson Di Mondì - yes

Motion, Discussion and Vote on Resolution 2016-13 to approve new Historic Review Guidelines for use by City and HAC (Historic Area Commission) to assist in applying architectural design criteria.

The Motion to consider Resolution No. 2016-13 was made by Councilperson Petty and seconded by Councilperson Di Mondì.

President Ratchford read the resolution.

Resolution No. 2016-13 passed unanimously.

Motion, Discussion and Vote on Resolution 2016-14 to deem a certain portion of Frenchtown Road as a No Parking Zone.

The Motion to consider Resolution No. 2016-14 was made by Councilperson Megginson and seconded by Councilperson Vannucci.

President Ratchford read the resolution.

Councilperson Di Mondì asked if the road shoulders are DelDOT territory and if the City has the authority to restrict parking? Chief Tjaden replied that DelDOT will allow to the City to restrict parking but the City must pay for the signs.

Building Official Bergstrom stated that DelDOT is no longer going to pay for the replacement of signs. The City can purchase the signs that DelDOT will make and install. It is cheaper to pay DelDOT than to have the City make and install the signs.

President asked who decides on how many signs and where they are placed. Mr. Bergstrom replied that DelDOT decides.

Councilperson Di Mondì stated that this is a ruse to get rid of people parking there. Now that someone wants to build a building, they want to restrict the parking.

Councilperson Vannucci recommended that the resolution be tabled until they find out the cost.

Councilperson Vannucci **Motioned to table Resolution 2016-14** and Councilperson Petty seconded.

The Motion passed with the Council votes recorded as follows:

Councilperson Megginson - no vote

Councilperson Vannucci - yes

Council President Ratchford - yes

Councilperson Petty - yes

Councilperson Di Mondì - no

Comments from the floor:

Alice Riehl of West 4th Street and owner/editor of The Weekly clarified that the newspaper did not say that there is a relationship between Duffield Associates and the low bidder for the pier building contract as previously stated by a Councilperson.

Jim Workman of West 3rd Street believes that the Trustees and Council are going back on their word about building a parking lot. His car has been hit three times due to the narrowness of West 3rd Street. Now the park is inhabited by petty criminals and people leaving diapers. Building more parking will result in more people at the park that don't have the best intentions. Why do we need more parking? Businesses aren't able to succeed. There is no problem on weekends with parking. During festivals, the grassy areas are used for additional parking. Mr. Workman is against the construction of parking lots anywhere in the City.

Josephine Moore of West 4th Street is concerned about parking and hopes that consideration will be given to reversing the plan. The planning commission was unanimous in voting against parking behind M+T. People that come to town will walk a few blocks. Go to any city such as Baltimore and you have to walk. Ms. Moore's property backs up to park and she sees drainage issues and trash. West 3rd Street is such a narrow street and additional parking is going to increase traffic. Many single women live on West 3rd and 4th Streets. Just this past weekend she saw someone practicing their golf swing and a father and son playing catch. The parking lot will ruin the beauty of town. Ms. Moore is concerned for her home and others. She is concerned because who owns the properties in around the park and who is responsible for it is always in question. Ms. Moore asks that the money be used to improve existing parking and streets.

Dorsey Fiske of East 3rd Street spoke as an individual Trustee, but not as a spokesperson for the Trustees. She asked if the City made a formal request to the Trustees to build the parking lot. Councilperson Megginson replied that City did not. The City Administrator stated that the City provided a list of Capital Projects that the Trustees might fund and the parking lot was one of the projects on the list.

The Parking Subcommittee has thoughts about the parking lot. Why would it be there? Is it for Battery Park? It's a small park and gets overcrowded. A study is needed to decide if parking is needed for the Battery and how many people can utilize the park. Ms. Fiske wants to understand if it is needed, so a professional parking study is needed. The old recycling area could be used as a temporary parking space to see if it's needed. Additional parking is really only needed for special events and grassy areas can be used.

Councilperson Vannucci stated that the City approved five lots. The City Administrator asked the Trustees for \$250,000. Instead, the Trustees are saying they are putting in the parking lot. City Solicitor Losco stated that the area by the tennis courts was not part of the legislation that declared the Battery a public park entrusted to the Trustees.

Councilperson Vannucci stated that the Trustees suggested raising taxes.

Ms. Fiske stated that what the City should really do is look at shoreline protection. So far, the City has been very lucky. In regard to parking in this town, we need a professional study. She Doesn't understand why we would pave green space.

President Ratchford commented that the City applied for a grant for shoreline stabilization and didn't receive it. A very favorable response was received and they hope that they can revisit it in the fall.

Mildred Fleck of Delaware Street between 2nd and 3rd has no problem parking in front of her house except on the four special festival days. She is very concerned about green space. Parking has been discussed for many years. Other areas that used to be open space are now built like townhouses on 3rd Street between Delaware and Foundry Streets. 3rd Street is one of the narrowest streets in town. People before us fought hard to keep the town. There are very few places you can go and park in front of an attraction. She supports parking where the recycling bins used to be.

Robert Thomas of West 7th Street requests that a stipulation be added to the agreement regarding the house in Dobbinsville that the Trustees will purchase not be torn down. President Ratchford agreed that the stipulation should be added.

On another topic, Robert Thomas of West 7th Street saw Eric Meyers and a Trustee move curbs from his property for use on West 3rd Street. The property has contaminated soil that is on the curbs.

Gene Dempsey of Delaware Street said they are talking to the wrong people about parking lots. Special Events have been going on for years with no buses. There are already places that can be used for parking. It's not a parking problem, it's a people problem.

Roger Clark of West 4th Street asked for clarification about the pier. The design for the pier has ramps for boats to tie up. President Ratchford and the City Administrator both assured Mr. Clark that there are no day boat slips. Mr. Clark asked if the original funding for the pier included a cost overrun that could cover the shortfall and for the deadline to build. The City Administrator responded that funding has been identified by Representative Mulrooney to cover the shortfall and there is no drop dead date to begin construction.

The **Motion to adjourn** was made by Councilperson Megginson, seconded by Councilperson Petty and **passed unanimously**. Council adjourned at 9:11 pm.

Respectfully submitted,

Janet Wurtzel
Clerk of the City of New Castle