

City of New Castle Delaware  
Regular City Council Meeting  
Meeting Held in Person and via Zoom  
Tuesday, April 8, 2025  
7:00 p.m.

**Call to Order: 7:00 PM**

**Roll Call**

**Present:** Council President Suzanne M. Souder  
Councilperson Andrew Zeltt  
Councilperson Brian M. Mattaway  
Councilperson Joseph F. Day, III  
Councilperson Nermin Zubaca

**Also present:** Max Walton, City Solicitor  
Mayor Valarie Leary  
Antonina Tantillo, City Administrator  
James Whisman, City Treasurer  
Police Chief Richard McCabe

Council President Souder called the April 8, 2025, City Council meeting to order at 7:00 p.m. The assembly stood for the Pledge of Allegiance. Roll call followed and a quorum to conduct business was declared.

**Minutes**

**A motion to approve the March 11, 2025 minutes as amended was made by Councilperson Zubaca. The motion was seconded by Councilperson Day and was unanimously carried.**

**Treasurer's Report**

Mr. Whisman presented the unaudited Treasurer's Report as of March 31, 2025:

|                          |                 |
|--------------------------|-----------------|
| Total unrestricted funds | \$ 9,008,269.77 |
| Total restricted funds   | \$ 2,998,029.67 |
| Total cash               | \$12,006,299.44 |

Mr. Whisman added that:

- Revenues – \$5,037,760 has been collected (72% of the budget)
- Expenses – \$4,759,906 has been expended (68% of the budget)

Mr. Whisman stated that the city is in good financial state.

**A motion to approve the Treasurer's Report as presented subject to audit was made by Councilperson Mattaway, seconded by Councilperson Day, and was unanimously passed.**

## **Reports from the City Administrator and Staff**

### Report From the City Administrator

Ms. Tantillo reported the following:

- Hill Day – Ms. Souder, Leary and Tantillo attended Hill Day in Washington, D.C. and had the opportunity to meet with elected officials and advocate for the City.
- Bull Hill – A deceased whale washed up at Bull Hill and was successfully removed by Cirillo Bros. with the help of the City and County and State agencies. In response to a question from Councilperson Zeltt, Ms. Tantillo explained that the cost to have the whale removed was covered by State and Federal agencies.
- Delaware River Trail – Work on the Delaware River Trail study is underway. Ms. Tantillo met with the planners at Johnson, Mirmiran & Thompson, who are doing the study. Ms. Tantillo will keep Council updated.
- Delaware Street Railroad Crossing –The project is facing additional delays as Norfolk Southern’s reevaluation of their portion of the project will not be completed until next year. Both DelDOT and Norfolk Southern are committed to completing the project in a timely manner. The signal portion of the project should be completed this summer. Ms. Tantillo was told that Norfolk Southern expects to have the clean out of the ditch behind Walgreens completed by the end of May. Ms. Tantillo will keep Council updated. In response to a question from Councilperson Mattaway, Ms. Tantillo clarified that the goal is to have the work completed by next spring or summer. Work on Phases 2 and 3 will continue.
- Mt. Salem Church – The Code Official reviewed the work and stated that the building is in compliance.
- Floating Dock – The gate of the Dock remains locked towards the middle of the wharf. Once the locking gate is installed and completed the entire scope of work will be completed.
- Paving Contract / ADA Sidewalk Contract – Both contracts are underway. Residents should contact the City Office with any questions.
- University of Delaware Projects (UD) – The three (3) projects with UD students continue to progress. The results of the revenue study will be shared at a future Budget meeting. Ms. Tantillo will keep Council updated on the HR and Website projects.
- Dog Park – The survey and wetlands evaluation has been completed. Councilperson Zeltt and Ms. Tantillo are working on reviewing the specs to determine the fencing and other amenity needs.
- City Election – The City election will take place on Saturday, April 12<sup>th</sup> at the Senior Center. Absentee voting applications and affidavits are still available at the City office.
- BRIC Grant – Ms. Tantillo was informed that FEMA has cancelled the BRIC funding for an evaluation of studies already conducted to evaluate the feasibility of raising the Army Creek, Gambacorta Marsh, Broad, and Buttonwood Dikes to an elevation at or above the 100 year flood elevation. The City will continue to seek funding opportunities and work with both DEMA and the UD GAP group to look for other ways to complete this project.

In response to a question from Councilperson Zubaca, Ms. Tantillo stated that the total grant amount was \$235,000.00 and the 25% match was \$58,750.00.

- Other Grant Updates –
  - Ms. Tantillo has applied for a Homeland Security grant and continues to apply for additional Cybersecurity and Homeland Security grants as well as park grants.
  - The grant applied for in January to continue the work of the feasibility study was not approved. Ms. Tantillo was urged to reapply next year.
  - Ms. Tantillo will apply for Bond Bill funding by the end of the month.
- Separation Day – Planning for Separation Day continues. Vendors and other participants are encouraged to contact the City office or visit the City website.

#### Report from Chief McCabe

Chief McCabe reported on the following:

- Rt. 9 Closure – Rt. 9 was closed from Washington Street to Grantham Lane to have unexploded ordinance removed. It is speculated that someone magnet fishing pulled it out of the creek and left it. The County Explosives and Ordinance Team determined it was military grade ordinance and the Airforce was called in to have it removed.
- Directive Patrol – Directive Patrols have started again in areas where numerous complaints of traffic violations have been received. There is a speed problem in Dobbinsville and Wilmington Road and there will be heavy enforcement in those areas; and shoulder violations have been reported on Delaware Street by the school. The department will look at reinstituting delineators on the shoulder before Carrie Downie; but in the meantime Officers will be set up there as well.
- 911 Calls – Chief McCabe reminded residents to call the 911 or the Non-Emergency number (302-573-2800). He noted that calls directed to those two numbers are tracked. Chief McCabe added that Officers will always respond to calls regarding drug activity, and noted the importance of stating the location of the activity when calling.

#### **Council Communications**

##### Councilperson Zubaca

- Councilperson Zubaca congratulated everyone celebrating Eid al-Fitr and Easter.

##### Councilperson Mattaway

- The Senior School Tax Credit relief of \$500 is available for residents aged 65 and older. The deadline is April 30<sup>th</sup>. Information is posted on the City website.
- The County has a property tax program for seniors through the New Castle County Office of Finance Assessment Division for those aged 65 and older. The deadline is June 1<sup>st</sup>. Information will be provided to the City Office. Councilperson Mattaway noted that if the application is approved the exempted amount will be subtracted from the total assessed value of the applicant's property.

- Councilperson Mattaway stated he is in favor of the recommendation submitted by Ms. Rose at the March Council meeting not to require individuals to state their address during Public Comment.
- The New Castle Sailing Club is sponsoring a Beach Clean-up on April 12<sup>th</sup> from 10 am to 1 pm.
- On April 19<sup>th</sup> Delaware 250 and the First State National Historic Park are partnering with the Delaware State Historical Society and the New Castle Historical Society to help with light maintenance and yardwork at the Buttonwood School Museum and Mt. Salem gravesite from 9 am to 1 pm. Volunteers are welcome.
- On April 24<sup>th</sup> the Library will host a Children's Vision to Learn clinic from 10 am to 3 pm. Sign-up is required. Call 302-328-1995 to register.
- Councilperson Mattaway reported a scrivener's error on the Council Agenda noting that Item 7 should have been listed as "Old Business". Councilperson Mattaway requested that Item 7 be discussed after Item 5.

#### Councilperson Zeltt

- Councilperson Zeltt thanked Councilperson Day for the recent Litter Crew event.
- Donated plants and gently used goods can be dropped off on May 1<sup>st</sup> for May Market. May Market is set for May 2<sup>nd</sup> and 3<sup>rd</sup>.
- May 12<sup>th</sup> is Election Day in New Castle. Councilperson Zeltt is doing a food drive for the Food Bank of Delaware and non-perishable items can be dropped off at the Senior Center that day.

#### Councilperson Day

- Councilperson Day reported that a revised Agreement was received from the Trustees for the restroom in Battery Park. The document is being evaluated at this time.
- An Old New Castle Litter Crew event was held in the Frenchtown Road area.
- Councilperson Day read an email from the New Castle Little League thanking Council, City Officials, and city members who attended Opening Day ceremonies, and the Old New Castle Litter Crew for organizing the litter clean-up on the grounds prior to Opening Day.
- The New Castle Little League is hosting a free Easter Egg Hunt on April 13<sup>th</sup> at 11 am with a special appearance from the Easter Bunny. Information is on the League's Facebook page.
- Councilperson Day thanked the City Administrator, City Staff, Public Works, and all those involved in handling the whale situation; noting that the matter was handled quickly and professionally.

#### **Report from the Council President**

- Council President Souder stated she will be glad when the lock to the gang way of the floating pier is in place.

- Regarding an issue that came up at a previous meeting regarding the conversion of single family homes into multi-family homes in the Historic Area, Council President Souder stated it is very difficult to convert single family homes to multi-family homes in the Historic District; mostly due to the size of the homes, utility requirements, and requirements for the outside appearance, which make it very difficult, if not highly unlikely, that there will be further conversions. She opined that last conversion was at the end of The Strand, and the home already had off-street parking.
- Council President Souder encouraged everyone to vote on Saturday, April 12<sup>th</sup>. Voting will take place from 8 am to 6 pm at the Senior Center. Absentee ballots can be turned in to the City office on Friday before 4:30, and absentee ballots may be turned in at the polling place on Election Day.
- Council President Souder wished everyone a Happy Easter.

### **Business From the Mayor**

- Mayor Leary enjoyed throwing out the ball at the Little League Opening.
- Mayor Leary was honored to attend a Medal of Honor Ceremony on March 25<sup>th</sup> at the Union Cemetery in Wilmington for Alexander Hand a Quartermaster for the Navy during the Civil War.
- In response to a question from a resident about the Ice Breaker Surveys done last fall, Mayor Leary noting her understanding that it was complete and she is waiting to receive a copy.
- On April 18<sup>th</sup> Two Lights for Tomorrow will celebrate Paul Revere's ride. Two lights will shine from State Houses across the United States, and all Delawareans are encouraged to participate by shining two lights from their windows on April 18<sup>th</sup>. April 19<sup>th</sup> is a Day of Service, and volunteers are welcome.
- Mayor Leary had the honor of presenting a wreath at the Tomb of the Unknown Soldier. She stated that it was a powerful and solemn ceremony recognizing all of those who gave their lives for us as well as those whose names are unknown.

### **Public Comments**

Council President Souder noted there is no need to state your address, but printing your name and address on the sign-in sheet is requested.

#### Phil Gross

- Mr. Gross stated that the City Code only requires individuals speaking for Public Comment to sign the sign-in sheet, and he chose not identify himself out loud.
- Mr. Gross spoke at length regarding his opinion on a number of matters, including the incumbent candidates for the upcoming City Council election; Council project cost overruns; the Budget; project delays; and the Dog Park location.
- Mr. Gross encouraged all residents to vote.
- Mr. Gross stated he is in favor of Tera Hayward-Olivas' reappointment.

Dorsey Fiske

- Ms. Fiske questioned Councilperson Day regarding why he tried to prevent her from speaking during Public Comment on April 9, 2024, regarding the investigation of the Trustees by the Department of Justice. Mr. Day said he did not recall the context of Ms. Fiske's comments from that date. Ms. Fiske stated that the Trustees are very relevant to the city, noting specifically their financial support of the city.

Dr. Somasunderam Padmalingam

Dr. Padmalingam stated that:

- The Trustees were created to support the city, and opined that he does not think there is a need for a tax increase because the Trustees are always there to help the city out.
- He encouraged voters to consider that the city is full of senior citizens and they do not need a tax increase.
- The area of 6<sup>th</sup> Street and Chestnut Street has to be addressed as soon as possible; and the entrance to the Farmer's Market on Frenchtown road needs to be repaired.

Pete Toner

- Mr. Toner gave compliments to City Staff for the work they do and to Council members for accepting a position in which they sometimes are the recipients of much criticism.
- Mr. Toner invited Council to grow neighborhood building, and not allow developers to continue to build apartment complexes. He suggested that the Council find a developer to build townhomes behind the Senior Center and continue the neighborhood instead of approving more apartment buildings.
- Mr. Toner wished all the candidates good luck on Saturday.

Guido Camponelli

- Mr. Camponelli urged residents to reflect on the incumbent candidates and their specific contributions and if they were effective, proactive and results-drive in their approach in serving the residents.
- Mr. Camponelli opined that many resident concerns have been ignored or poorly addressed, such as traffic and congestion, updating satellite playgrounds, and looking at alternative opportunities to increase revenues.
- Mr. Camponelli opined that if projects in the Historic District proceed without prior approval from HAC, they should be investigated by an outside agency; further opining that residents and the City Government must both comply with the approval process.

Florence Smith

- Ms. Smith stated that the playground in Penn Valley has not been updated in at least 20 years, and asked that some consideration be made to have the playgrounds in Penn Valley and other communities updated.
- Ms. Smith noted that nothing has been done to mitigate flooding behind her neighborhood and asked for some consideration on that issue as well.

In response to a question from Councilperson Zubaca, Council President Souder allowed him to respond to comments regarding playground updates.

Councilperson Zubaca stated that the City Administrator is working with ONCOR to obtain grant funding for satellite playground improvements.

#### **New Business**

**Council Discussion, Possible Motion and Vote on Resolution 2025-20.** A Resolution to Appoint Linda Suskie to the Tree Advisory Commission.

#### **Linda Suskie – Tree Advisory Commission – Term Ending April. 8, 2028**

Council President Souder read the Resolution. Ms. Suskie expressed her appreciation for being appointed to the Tree Advisory Commission.

**A motion to approve Resolution 2025-20 was made by Councilperson Day. The motion was seconded by Councilperson Zeltt and was unanimously passed.**

**Council Discussion, Possible Motion and Vote on Resolution 2025-21.** A Resolution to Re-Appoint Wolcott Davis to the Tree Area Commission.

#### **Wolcott Davis – Tree Advisory Commission – Term Ending April. 9, 2028**

In response to a question from Council President Souder, the city Solicitor informed her that because the language in appointment Resolutions was the same, it was not necessary to read each Resolution. Council President Souder paraphrased the Resolution.

**A motion to approve Resolution 2025-21 was made by Councilperson Day. The motion was seconded by Councilperson Zubaca and was unanimously passed.**

**Council Discussion, Possible Motion and Vote on Resolution 2025-22.** A Resolution to Re-Appoint Tera Hayward- Olivas to the Historic Area Commission.

#### **Tera Hayward-Olivas – Historic Area Commission – Term Ending March 12, 2028**

Council President read the Resolution. Ms. Hayward-Olivas expressed her appreciation for being re-appointed to the Historic Area commission.

**A motion to approve Resolution 2025-22 was made by Councilperson Day. The motion was seconded by Councilperson Zeltt and was unanimously passed.**

**Council Discussion, Possible Motion and Vote on Resolution 2025-23.** A Resolution to Re-Appoint Steven Zorrer to the Board of Adjustment.

**Steven Zorrer – Board of Adjustment – Term Ending April 12, 2028**

Council President read the Resolution.

**A motion to approve Resolution 2025-23 was made by Councilperson Day. The motion was seconded by Councilperson Zeltt and was unanimously passed.**

**Council Discussion, Possible Motion and Vote on Resolution 2025-24** A Resolution to Appoint Robert Irwin to the Board of Adjustment.

**Robert Irwin – Board of Adjustment – Term Ending April 12, 2028**

Council President Souder paraphrased the Resolution.

**A motion to approve Resolution 2025-24 was made by Councilperson Day. The motion was seconded by Councilperson Zeltt and was unanimously passed.**

**Council Discussion, Possible Motion and Vote on Resolution 2025-12** A Resolution Requesting Amendment to Municipal Charter to Authorize the City of New Castle to Levy and Collect Gross Rent Tax.

Councilperson Mattaway explained the Resolution was first introduced in January 2025, and recapped the important points of the Resolution:

- This is an enabling legislation that allows the City to “turn on the faucet with a range that can go up or down”.
- If approved today, New Castle can petition Dover and if allowed, it would come back to City Council for enactment.
- Delaying the chance to petition will mean being deferred to 2026 and potential enactment in 2027 or later.
- As of the most recent data the median rent for the City of New Castle is \$1,675.00.
- There are 698 units in the city’s rental inventory at this time.
- At 5% and a very conservative \$1,200 rental, that equals \$500,000.00.
- Over 1,000 rental units have been approved.
- Over time, this will potentially generate annualized revenue of over \$1M.

Councilperson Zubaca stated that he confirmed the numbers presented by Councilperson Mattaway and thanked him for looking into this opportunity for the city to increase its revenue streams.

Councilperson Zeltt stated that we are trying to get more renters into the city, and opined that initiating a 5% gross rental tax does not help with affordable housing. He further opined that the

cost will ultimately be placed on the renters, not the landlords, and advocated for more low-cost rentals in town.

Councilperson Mattaway responded that the City has not raised taxes for 16 years, and in that time, rents have certainly increased. He added that this is an enabling language, and when presented to the General Assembly many requests sit for extended periods of time. Councilperson Mattaway also noted that municipalities that have a gross rent tax also have impact fees, which New Castle does not have; and as a result our local organizations are losing.

Councilperson Day stated his concern about the raising taxes as a result of the reassessment; however, he agreed that it is a slow process and the matter still has to come back to Council for a determination of rules. Councilperson Day stated that he would support the Resolution to ask for the ability to proceed with the General Assembly.

Council President Souder stated she has some of the same concerns as Councilperson Zeltt regarding the tax being passed on to the tenants; and opined that it is double taxation for the renters. Council President Souder also expressed her concern with rentals owned by the Trustees of the New Castle Common and how the implementation of a rental tax would affect the Trustees.

In addition, Council President Souder noted that many commercial leases extend beyond one year and the Trustees would be prohibited from implementing the tax until the end of the lease term, which lowers the income they have to give support to the City and the residents of New Castle.

Council President Souder reiterated her primary opposition to the Resolution is that she does not feel it is fair to tax renters twice. She also noted that the sample cities provided in Councilperson Mattaway's documentation are all beach resort towns with the exception of one; and the beach resort town rental market is vastly different from a residential community such as New Castle. She added that Newark also has a different rental market than the City of New Castle.

Council President Souder added that on the list of rental properties in Councilperson Mattaway's documents, only three have more than ten (10) units; and the vast majority of them have only one (1) units, indicating they are small businesses.

Council President Souder concluded by stating Council should explore alternate sources of revenue; but not on the backs of renters, many of whom are struggling to pay the rent.

Councilperson Mattaway responded, saying that some of the things brought up by Council President Souder do not apply to his presentation; noting that he is specifically talking about residential rentals. He added that the idea of a pass-along is not necessarily true because of impact fees, and asked if Council President Souder would not be in favor of impact fees for fear that they would be passed along to renters. Councilperson Mattaway said that our policy is affecting what we can and cannot do; referencing properties in the Downtown Development District and the policy currently in place regarding taxation on property improvements.

Council President Souder stated that the title of the Resolution does not state it is only for residential and asked if the language would be amended to reflect that; adding that would be worse because the entire burden is then on the backs of residential renters. She added that she would not be opposed to impact fees on new development; noting that would be a one-time fee. Council President Souder also said that none of the new developments approved in the last five (5) years have even broken ground; and she did not see that there is a certainty that all or any of them will be constructed. And to count on future income from developments that have not happened and that are not supported by many residents seems to be contradictory.

**A motion to approve Resolution 2025-12 was made by Councilperson Mattaway. The motion was seconded by Councilperson Zubaca and a roll-call vote was taken.**

**Council President Souder – No**

**Councilperson Day – Yes**

**Councilperson Mattaway – Yes**

**Councilperson Zubaca – Yes**

**Councilperson Zeltt – No**

**The motion passed with a vote of three (3) in favor and two (2) opposed.**

**Council Discussion, Possible Motion and Vote on Resolution 2025-25** A Resolution Requesting an Amendment to the City of New Castle Municipal Charter Addressing Different Tax Rates for Types of Property within the City.

Council President Souder explained the Resolution and read it.

Councilperson Zubaca stated he is pleased to see this legislation before Council; adding that he is in favor of having more flexibility in addressing taxes to reduce the impact on various taxpayers in the city.

Councilperson Day concurred that this is something the city needs to do and it is another tool; particularly since industrial properties were not reassessed at the same proportion as residential properties.

In response to a question from Councilperson Mattaway, Mr. Walton stated that there are four (4) or five (5) of other municipalities that already have the ability to do this in their Charters. Council President Souder suggested that the higher rates apply to properties in the Industrial Office Park Zone and General Commercial Zones but not in the Historic Commercial Zone or the Downtown Gateway because they are small businesses.

Councilperson Mattaway stated he liked the flexibility but had some concerns regarding the Trustees, commercial properties, long leases, etc.; and asked if there had been any connectivity with any of the municipalities that are already implementing the process. Council President Souder stated that no specific rates are indicated, and her thought was to use the current zoning.

Councilperson Mattaway opined that an appeals process needs to be established. Mr. Walton stated that the city would set the rate; and there is already an appeals process in place through the County, which is where an appeal would be brought.

Councilperson Mattaway stated he likes flexibility and opined that Resolution 2025-25 dovetails nicely with a Gross Rental Tax across the country and emerging markets where industrial/commercial are transitioning into residential.

**A motion to approve Resolution 2025-25 was made by Councilperson Day. The motion was seconded by Councilperson Zubaca and a roll-call vote was taken:**

**Council President Souder – Yes**

**Councilperson Day – Yes**

**Councilperson Zeltt – Yes**

**Councilperson Mattaway – Yes**

**Councilperson Zubaca – Yes**

**The motion passed unanimously.**

Ms. Tantillo stated that she would work with Council President Souder and Councilperson Mattaway and with the elected officials at the State level to bring the two Resolutions to the General Assembly.

**First Reading of Ordinance 553** An Ordinance to amend the City of New Castle code and establish Chapter 222 Financial Matters, Chapter 222, Article I regarding the establishment of a Budget Stabilization Fund and Chapter 222, Article II regarding the establishment of a Capital and Infrastructure Fund.

Councilpersons Zubaca and Mattaway read Ordinance 553.

There being no further business to discuss, Council President Souder called for a motion to adjourn.

**A motion to adjourn was made by Councilperson Zubaca. The motion was seconded by Councilperson Day. The motion was unanimously passed and the meeting adjourned at 8:48 p.m.**

Respectfully submitted,

Kathleen R. Weirich  
City Stenographer

**Next Regular Meeting Date: May 13, 2025**  
**Posted: 04/01/2025**