

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
October 27, 2014

Milford City Council held a Public Hearing on Monday, October 27, 2014 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Christopher Mergner, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen, Owen Brooks, Jr., Douglas Morrow, Sr., James Starling, Sr. and Katrina Wilson

City Manager Richard Carmean, Police Lieutenant Kenneth Brown and  
City Clerk/Recorder Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

Mayor Shupe called the Public Hearing to order at 7:01 p.m.

PUBLIC HEARING

*Minor Subdivision & Conditional Use  
303 Pierce Street/Parcel MD-16-183.10-04-12.00  
Matthew & Jennifer Feindt/Conditional Use  
MD-16-173.00-01-22.00  
Adoption/Ordinance 2014-07*

Mayor Shupe announced this is an application for Matthew and Jennifer Feindt for a Conditional Use to allow a single family semidetached dwelling in an R2 District, a Final Minor Subdivision on 0.25+/- acres at 303 Pierce Street. It included a reduction in front yard setback to 18.5' on Pierce Street, and a reduction in front yard setback to 17.5' on NE Second Street.

City Solicitor David Rutt explained this application required several hearings due to the odd shape of the lot. It involves a duplex in an R-2 district which included setback issues on Pierce and Second Streets. He explained the first application required a variance that went through the board of adjustment. He then referred to the history summary where it received approval from the planning commission and board of adjustment.

The solicitor then noted that there is no representation for the application in attendance. They must be present to make the presentation and the city cannot do that for them. Mr. Rutt feels they should have been following the application until its final approval.

It was confirmed that Bob Nash represents the application on behalf of Matthew and Jennifer Feindt.

Mr. Grier recalled discussing this after the last council meeting and his impression was that he had to go back to the planning commission. Mr. Rutt said at the last meeting, the ordinance was introduced. The ordinance stated that it would be heard by the planning commission on October 21<sup>st</sup> which would have been last Tuesday but that meeting was postponed. He had received a notice and spoke with Christine Crouch and his recollection was it did not have to go back the planning commission and only needed the final step which was before council.

Mr. Rutt said there is a possibility that they received the October 21<sup>st</sup> notice and then received the postponement.

He recommends the matter be postponed.

Mr. Grier said it has been postponed multiple times. Mr. Pikus pointed out that it has been more than five months since the initial application was received.

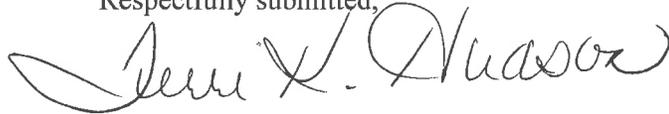
Mr. Rutt agreed stating that the initial application was for a setback on NE Second Street. During that hearing, it was determined there was also a setback issue on Pierce Street. Therefore, another application was needed and it was then determined that the way the building was on the lot would require another variance. They were then referred to the board of adjustment for a second hearing.

When asked why this has been so difficult, Mr. Rutt explained they are trying to put a duplex on a lot that was originally designed for a single family home.

Mr. Grier moved to postpone action, seconded by Mr. Gleysteen. Motion carried.

Mayor Shupe adjourned the Council Workshop at 7:14 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Terri K. Hudson". The signature is written in a cursive style with a large, sweeping initial "T".

Terri K. Hudson, MMC  
City Clerk/Recorder

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
October 27, 2014

The City Council of the City of Milford met in Workshop Session on Monday, October 27, 2014 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Christopher Mergner, Garrett Grier III, S. Allen Pikus,  
Dirk Gleysteen, James Starling, Sr. and Katrina Wilson

City Manager Richard Carmean, Police Lieutenant Kenneth Brown and City Clerk/  
Recorder Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

Mayor Shupe convened the Workshop Session at 7:14 p.m.

*Downtown Development District/Downtown Milford, Incorporated President SaraKate Hammer*

Mayor Shupe acknowledged SaraKate Hammer who will be discussing Senate Bill 191 which was funded in the FY 2015 Bond Bill at \$7 million. The initiative provides economic development incentives that promote revitalization of downtown areas and surrounding neighborhoods selected through a competitive application process.

Ms. Hammer then introduced herself stating that though she is president of Downtown Milford Incorporated (DMI), this is not their initiative and she is only assisting the City of Milford by applying for the grant. However, DMI does support the application and has submitted a letter stating they will assist the city in anyway possible to ensure it will be a successful application and designation if the city was so awarded.

She explained that Governor Markell approved legislation providing a grant to three designated districts/towns in the state, one in each county. If the program is successful, Ms. Hammer hopes the money will be re-upped next year by providing more towns the opportunity for the designation.

Ms. Hammer and former City Planner Gary Norris have been working with the State Planning Office to outline a downtown development district based on the 2008 comprehensive plan that is currently being revised. The map is also based on Milford's population and consists of approximately 170 acres in the heart of downtown. It overlays nicely with DMI's Project Area Map and downtown historic districts.

She explained that if Milford were to receive the designation, the mapped out area would have access to a \$7 million pot that the state will provide grants for both residential and commercial improvements, as well as economic development in that district.

For small projects, there is a rebate of up to 20% for improvements over \$25,000. That includes residences, new jobs, new construction and rehab/preservation of historic buildings that qualify.

The city can prioritize large projects and will inform you in advance should the money be awarded.

The intent is to improve housing, increase home ownership rates and reduce the number of vacant houses in the downtown district.

Ms. Hammer then referenced the grant summary:

Grants are available for up to 20 percent of Qualified Real Property Investments in excess of the Minimum Qualified Investment Threshold of \$25,000. The building or facility use must be commercial, industrial, residential, or mixed-use. Qualified Real Property Investments are capital costs, incurred after District designation, necessary for the rehabilitation or expansion of an existing structure, or new construction.

**SMALL AND LARGE PROJECTS SET ASIDE**

Small Project Set-Aside of \$1,000,000

Investors are eligible for this set-aside for total Qualified Real Property Investments less than \$250,000. Within 45 days of completion, Investor submits as part of the application:

- Placed in service documentation.
- Confirmation of location and conformance with District Plan.
- Type of District Investor – owner, tenant-owner consent, multiple owners, developer.
- Proof of payment of Qualified Real Property Investments.

DSHA distributes funds within 60 days of receipt.

Large Project Pool of \$5,650,000

Establishes a Reservation process based on each General Assembly appropriation to provide:

- Qualified District Investors assurance they will be funded once successfully completed.
- Each District reasonable access to District Grant funds.
- An opportunity to assess demand and make modifications to ensure programs' success.

Applications for a Reservation are accepted once a year and include:

- Project description
- Type of District Investor – owner, tenant-owner consent, multiple owners, developer.
- Confirmation of location and conformance with District Plan.
- Detailed budget with expected Qualified Real Property Investments clearly supported.
- Proof of applicant readiness to initiate and complete the project within three years.

Each District will have reasonable access to District Grant funds via a District Set Aside. Once each District Set Aside is met, projects will receive Reservations from the remaining pool of funds.

If Reservation requests exceed funding allocated, then requests that address one or more of the following priorities will receive special consideration:

<ul style="list-style-type: none"> <li>• Identified as a Key Priority Project in District Plan</li> <li>• Creates permanent jobs</li> <li>• Provides mixed-use development</li> <li>• Adaptively reuses existing structures</li> </ul>	<ul style="list-style-type: none"> <li>• Expands housing opportunities</li> <li>• Protects historic resources</li> <li>• Promotes sustainable practices</li> </ul>
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Grant Fund Disbursement requests are due within 45 days of being placed in service.

DSHA will conduct a compliance review of the final project requesting Grant Fund Disbursement. This on-site review will ensure the final project conforms to project scope outlined in the Reservation Agreement.

DSHA distributes funds within 60 days of receipt.

**ELIGIBLE EXPENSES AND ACTIVITIES**

Qualified Real Property Investments includes expenditures, incurred after District designation, that are properly chargeable to a capital account and are necessary for the rehabilitation or expansion of an existing structure, or new construction. Examples include:

- Exterior, interior, structural, mechanical or electrical improvements

- Excavations
- Grading and paving
- Installing driveways
- Landscaping or land improvements
- Demolition

## RESTRICTIONS

The following types of projects and activities are not eligible for a District Grant:

- Adult bookstores, adult video shops, other adult entertainment facilities, check cashing facility, gambling facilities, liquor stores, massage parlors, pawn or gun shops, tanning salons, tattoo parlors.
- Soft Costs, including:
  - Appraisal, architectural, engineering, bids or interior design fees
  - Legal, accounting, realtor, sales, marketing or other professional fees
  - Permits, user fees, zoning fees, impact fees, inspection fees
  - Land or building acquisition
  - Loan fees, capitalized interest
  - Utility hookup or access fees
  - Well, septic or sewer systems
  - Machinery, tools or other equipment
  - Temporary facilities
  - Bonding, closing costs, insurance
  - Blinds or other window treatments
  - Furnishings
  - Outbuildings (if ancillary to function of the main building)
  - Signage, Signs or Roads
  - Rent Loss

## INVESTMENT RANGE

District Grants are calculated at 20 percent of the Qualified Real Property Investment in excess of the Minimum Qualified Investment Threshold up to \$500,000 per building or facility. District Grants in excess of \$500,000 will be determined according to the following investment ranges for a maximum of \$1,000,000.

Investment Range	Grant Amount	Investment Range	Grant Amount
\$2,525,000 - \$3,500,000	\$500,000	\$12,500,001 - \$13,500,000	\$785,000
\$3,500,501 - \$4,500,000	\$528,000	\$13,500,001 - \$14,500,000	\$814,000
\$4,500,001 - \$5,500,000	\$557,000	\$14,500,001 - \$15,500,000	\$843,000
\$5,500,001 - \$6,500,000	\$585,000	\$15,500,001 - \$16,500,000	\$871,000
\$6,500,001 - \$7,500,000	\$614,000	\$16,500,001 - \$17,500,000	\$900,000
\$7,500,001 - \$8,500,000	\$642,000	\$17,500,001 - \$18,500,000	\$928,000
\$8,500,001 - \$9,500,000	\$671,000	\$18,500,001 - \$19,500,000	\$957,000
\$9,500,001 - \$10,500,000	\$700,000	\$19,500,001 - \$20,000,000	\$986,000
\$10,500,001 - \$11,500,000	\$728,000	\$20,000,001 and over	\$1,000,000

\$11,500,001 - \$12,500,000	\$757,000		
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Ms. Hammer stated that if Milford was chosen, the designation would last for ten years with the opportunity to re-up for five-year periods.

The designation requires an administrator from the city, who would be someone on staff, to ensure the local incentives are followed as laid out for economic development.

She noted that a lot of local incentives have already been approved by council. As a result, the city would not offer anything above what is currently offered. However, additional incentives could be added at a later date specifically for the downtown district.

A presentation created by the Delaware State Housing Authority was included in the packet.

The designation will occur in February 2015 and officially starts on the day of designation and grant money would be available immediately.

The application will be submitted within the next few days.

Ms. Hammer then confirmed there is no financial obligation from the city.

She noted there is an emphasis on historic preservation tax credits; some will be set aside for the cities that receive the designation.

Overall, the city will be required to accept the grant money, accept designation, administer and follow the guidelines of the program as established.

Mr. Pikus asked if there is a problem with the awards because Milford is in both counties. Ms. Hammer explained it will be submitted to Sussex County based on conversations with Senator Gary Simpson.

Mr. Pikus asked who will administer the funds; Ms. Hammer said an employee of the city. Currently the plan administrator is Mr. Carmean though she understands that will change over the next couple months.

Ms. Hammer verified the only action needed by the city is for council to support the application by adopting the resolution which will be voted on later this evening.

She explained that they are encouraging as many towns as possible to apply. Though only three towns will receive the designation, the more towns that apply, the more favorable it will look to the governor and administration. They hope that will encourage them to make money available for additional towns next year.

Once the town is designated, the funds are available as long as this is approved as part of the budget.

The city manager thanked Ms. Hammer for spearheading the application process noting that there are only so many hours in a day for our staff and this has been a time-consuming effort.

*Review/Ordinance 2014-13/No Smoking Policy/City Parks and Facilities*

Mayor Shupe advised that the following ordinance is a result of a recent discussion of the Community Affairs and Parks and Recreation Committees. This is for review and recommendations only. He welcomes any comments before it is placed on an agenda for introduction:

*AN ORDINANCE OF THE CITY OF MILFORD PROHIBITING SMOKING IN CITY PARKS, BUILDINGS AND FACILITIES, SPECIFYING REQUIRED SIGNAGE, PROVIDING FOR ENFORCEMENT AND PENALTIES FOR VIOLATIONS THEREOF AND ESTABLISHING AN EFFECTIVE DATE.*

*WHEREAS, a new chapter in the Code of the City of Milford is being created to prohibit smoking in all City parks, buildings and facilities; and*

*WHEREAS City parks are intended for the healthy enjoyment of all citizens, including children and youth; and*

*WHEREAS smoking and tobacco use in parks can result in litter of cigarette butts, cigar butts and other tobacco-related waste which can cause environmental degradation and pose a health risk to children and animals; and*

*WHEREAS studies have shown that children and youth exposed to smoking and tobacco use are more likely to smoke when they get older; and*

*WHEREAS many parks in the City contain trees and plants that can be combustible, particularly in the dry summer months and pose an increased risk of fire; and*

*WHEREAS, on September 23, 2014, the Community Affairs Committee and Parks and Recreation Committee recommended a smoking ban in City Parks; and*

*WHEREAS, City Council has previously taken formal action by voting on a policy which prohibits smoking in City Buildings and Facilities.*

*NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:*

*Section 1. The Code of the City of Milford is hereby amended by adding thereto a new Chapter 190, to be entitled Smoking Prohibited in City Parks, Buildings and Facilities to read as follows:*

*Section 2. CHAPTER 190. SMOKING PROHIBITED IN CITY PARKS, BUILDINGS AND FACILITIES.*

*§ 190-1 Definition.*

*§ 190-2 Smoking prohibited at all times of year*

*§ 190-3 Conditions.*

*§ 190-4 Penalties.*

*§ 190-1 Definitions.*

*As used in this chapter, the following terms shall have the meanings indicated:*

*Parks and Recreation Director: City of Milford Parks and Recreation Director and any employee or designee thereof.*

*Smoking: The combustion in any cigar, cigarette, pipe, or any other similar article or any device, of tobacco or other combustible substance.*

*§ 190-2 Smoking prohibited.*

*(A) Parks.*

*(1) Smoking shall be prohibited at all times in all City of Milford public parks and playgrounds, including, without limitation:*

*a. Banneker Park*

*b. Bicentennial Park*

- c. Marshall Pond Park
- d. Marvel Square Park
- e. Memorial Park South
- f. Tony Silicato Memorial Park and Can Do Playground
- g. Library Square
- h. Milford Library Amphitheater
- i. Goat Island and THE GARY L. EMORY NATURE TRAIL
- j. Mispillion Riverwalk
- k. Milford Dog Park

*(B) Smoking is prohibited within a 25-foot radius of the perimeter of all parks and playground areas owned by the city and open to the public.*

*(C) Smoking is prohibited in a building or facility owned, leased or operated by the City of Milford.*

*§ 190-3 Park Conditions.*

*A. At the entrance(s) of each designated park, there shall be appropriate signage designating the prohibition.*

*B. No person shall be prosecuted for violation of this chapter unless signs, readily visible to the public, are posted in appropriate places at the entrance(s) to those areas where smoking is prohibited, indicating smoking is prohibited and that violations are subject to penalties.*

*§ 190-4 Enforcement and Penalties.*

*The Milford Police Department, City of Milford Code Enforcement Officials and Parks and Recreation Director shall enforce this chapter.*

*Any person violating any of the provisions of this chapter shall, upon conviction, be subject to a fine of not less than \$25 nor more than \$100. For a second or subsequent violation, any person, upon conviction, shall be subject to a fine of not less than \$50 nor more than \$200. Each day that a violation of any of the provisions of this chapter continues shall be deemed and taken to be a separate and distinct violation.*

*Any city employee authorized to enforce this chapter, as provided herein, has the authority to eject from a park facility any person in violation of this chapter.*

Mayor Shupe referenced the parks included in the ordinance noted in section 190-2(a)(1).

Mr. Pikus asked if the ordinance is legal and if council has the right to enforce this. The city solicitor stated that council has the right to adopt an ordinance adding that smoking bans are becoming more prevalent all the time. He referenced an ordinance recently enacted by the Town of Bethany Beach where no smoking is permitted on the beach and boardwalk.

Mr. Starling confirmed the city has banned alcohol in parks and this ordinance only applies to smoking.

Ms. Wilson said she has never been a smoker but is concerned we are enacting more and more laws involving personal rights. She does not want the city to have the appearance of a dictatorship. She stated that even if she was a smoker, she would not smoke there especially when other people were present.

Mr. Pikus said he brought this up because the parks are enjoyed by a lot of children. People can smoke anywhere they want and in particular, are able to smoke on the streets. He said he has gotten a lot of phone calls from people who have expressed concerns about families getting together in our parks who encounter people who are smoking and they find it offensive.

Mr. Carmean asked if city council has the right to ban smoking on sidewalks and streets; Solicitor Rutt said it is being done on the boardwalks at the beach.

Mr. Gleysteen questioned the section that reads smoking is prohibited within a 25-foot radius of the perimeter of all parks and playground areas owned by the city and open to the public. He asked if that is inside the property line or outside the property line. He asked if that means someone can smoke 25-feet inside the park.

Mr. Rutt said it could mean the exterior perimeter which may involve property not owned by the city adding that we cannot infringe on individual property rights. He recommends re-writing the ordinance and clarify that would only involve parks and playground areas owned by the city.

Mr. Carmean believes this will be difficult to enforce. He said in discussing this with Chief Hudson, they felt an on-the-spot ticket could be issued versus taking someone into custody for a violation. Mr. Pikus likes the idea of a citation being issued for the offense.

The city manager said the chief believes it may be difficult to enforce at all times. The city manager pointed out there are avid smokers which has the potential for the police to be called constantly. The person reporting it then expects immediate action be taken which he believes will be difficult.

Ms. Wilson feels that a call to the police would be made if the smoke was bothering other people in the park.

Mayor Shupe pointed out the ordinance contains reasons for why it is needed. He said there are a number of things that need to be considered and he does not want to rush this and asked that council consider the reasons this should be adopted but to also think about the reasons it should not be adopted. We can then have a later discussion on whether to proceed or not.

Mr. Pikus confirmed this also includes library square; Mr. Carmean stated yes though it will need to be added. Mr. Rutt noted that the ordinance states public parks and playgrounds, including those listed, without limitation. Therefore, any city-owned parks are included.

Ms. Wilson recommended this be presented to the police committee.

Mr. Mergner asked if a sign is required for the alcohol ban; Mr. Carmean said someone could make a case that if the sign were not posted informing them that alcohol or smoking is prohibited it cannot be enforced. He said the same requirements apply to handicapped parking where a sign must be posted and not just pavement markings.

Mr. Mergner asked what happens if the sign ends up damaged or removed.

Mayor Shupe recalled the sign was part of the discussion by the Community Affairs and Parks and Recreation Committee who recommended this. Mr. Mergner agreed but felt the committee emphasized the need to communicate the message by installing signs. However, he feels that enforcing the no smoking is another issue. The ordinance reads that it cannot be enforced unless a sign is present.

Mr. Pikus then stated that the sign has to be posted. Mr. Grier said they have room to argue if the sign does not exist. Mr. Pikus said a police officer cannot tell someone they are not allowed to smoke unless the sign is posted. Mr. Mergner feels the ordinance needs to be changed to state that if the signs are not there, that does not mean it cannot be enforced.

Mr. Rutt then explained the law can be enforced without a sign. He pointed out there is a presumption that people know the law. For example, the city publishes the ordinance in the newspapers, put signs out and gave the public appropriate notice. He feels that anyone who violates the ordinance and wants to argue they were unaware of the law may have a problem. Currently, the ordinance states that no one will be prosecuted unless signs are posted in the appropriate places. As a general concept, people are presumed to know the law.

Mr. Mergner feels we should remove that section. He believes that once we begin to label the parks, these rules should be added as well. He emphasized the need for parks and recreation to identify the parks and post the rules which should be done as quickly as possible.

Mayor Shupe asked council to talk to their constituents and get their opinions. Council can then come back with a better idea of how to handle this.

With no further business, the Workshop Session concluded at 7:32 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Terri K. Hudson". The signature is fluid and cursive, with a large initial "T" and "H".

Terri K. Hudson, MMC  
City Clerk/Recorder

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
October 27, 2014

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, October 27, 2014.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Christopher Mergner, Garrett Grier, S. Allen Pikus,  
Dirk Gleysteen, James Starling, Sr. and Katrina Wilson

City Manager Richard Carmean, Police Lieutenant Kenneth Brown and  
City Clerk/Recorder Terri Hudson

Solicitor David Rutt, Esquire

#### CALL TO ORDER

Mayor Shupe called the Council Meeting to order at 7:32 p.m.

#### INVOCATION AND PLEDGE

The Pledge of Allegiance followed the invocation given by Councilman Starling.

#### RECOGNITION

No special guests present.

#### COMMUNICATIONS

Mayor Shupe announced that Milford's Dog Park will officially open Saturday, November 1<sup>st</sup> at 9:00 a.m. The dog park is located at 1 Marshall Street. Rules will be posted at the park.

Mr. Mergner asked where the rules are posted and what is required to use the park. He noted that nothing has been published on the website to promote or explain any regulations. As a dog owner, his concern is that our residents understand their dogs must be licensed and vaccinated. He asked how this will be handled.

The city manager said that currently, we only have the large signs stating the rules. He will get the information on the website with the directions to the park.

Mayor Shupe reminded council that we are working on a redesign of the website. He agrees the city needs to be more aware of those type needs and ensures that pertinent information is made available to the public. Mr. Carmean recommends a picture of the sign be posted to the website.

#### UNFINISHED BUSINESS

None.

#### NEW BUSINESS

*USDA/Rural Economic Development Loan and Grant Program (REDLG)*

Mayor Shupe advised of an opportunity for municipalities to apply for a grant to assist start up and expansion businesses

through a loan program. In turn, the city would lend funds to small businesses whose intent is to create or retain jobs. This is a \$300,000 grant of which the city is required to provide a match of \$60,000. The \$360,000 would then be available for loans where the interest rate would be below the prime rate. Criteria and guidelines would have to be established and potential borrowers will need to qualify.

The mayor noted that Councilman Grier and he had discussed considering this through our economic development program.

Economic Development Chairman Grier advised that a committee meeting was held October 23<sup>rd</sup> at which time Councilman Starling, Councilman Mergner, Mayor Shupe and himself attended. The program was reviewed and the committee recommended it be brought before council. He reiterated that of the \$360,000 available for loans, \$60,000 would be provided by the city. This would be available for expansions or new businesses relocating to Milford.

Chairman Grier feels this is a rare opportunity adding there are sufficient funds in the economic development fund to cover the match money. The committee felt that if the businesses were charged a small interest rate, we will eventually recoup the \$60,000. The intent is to build a pot that will be available for future businesses.

Also discussed was potential perimeters and the need for a hard line to determine whether someone is qualified or not. He emphasized there will be no favoritism and all applicants will have to qualify. This will fall under the new economic development/planning director who will be monitoring the program and reviewing applications.

The committee recommended that council approve the application for submission in addition to the \$60,000 match money.

The city manager reported that he recently learned that DMI has a smaller fund that is loaned to businesses and over the past ten to twelve years, no one has ever defaulted.

Mayor Shupe said the Elizabeth City, North Carolina Mayor informed him of this program. Some of their perimeters are included in the packet and though they do not have to be identical, he feels we can use them as a starting point. He agrees there can be no favoritism and the eligibility requirements must be made clear.

He noted there are several council members who own businesses and are aware that access to capital is very challenging especially in our current economy. Anything the city can do to promote local businesses will benefit the entire community long term.

Mr. Gleysteen stated that in his case, his building in Harrington needed to be brought up to code which was cost prohibitive. He believes this will help keep our downtown vibrant.

Mayor Shupe emphasized that this is not only a downtown project, but available to any business in Milford should they qualify.

He asked that council consider specific type businesses that will have a positive impact on the community. One thing he would like is to have more restaurants in the downtown area. He believes that additional restaurants would add foot traffic resulting in the downtown shops being open longer and possibly seven days a week. Targeting a certain type of business though this program could be considered part of the criteria thought that would be determined by the economic development committee and the new planner/economic development director.

Mr. Grier moved for approval of the city applying for the USDA/Rural Economic Development Loan and Grant Program (REDLG), seconded by Mr. Mergner. Motion carried.

Mr. Grier moved that \$60,000 be allocated out of the economic development fund as a match for the USDA/Rural Economic Development Loan and Grant Program (REDLG), seconded by Mr. Starling. Motion carried.

*Resolution 2014-15/Downtown Development District (DDD) Approval & Support*

Mayor Shupe advised this resolution relates to the DDD program discussed in workshop session by DMI President SaraKate Hammer. He recommends adopting the resolution which approves and supports the program.

Mr. Pikus moved to adopt the following resolution, seconded by Mr. Grier:

WHEREAS, under the Downtown Development Districts Act, 22 Del.C. §§ 1901 et seq. (the "Act"), the State of Delaware may designate districts within Delaware's cities, towns, and unincorporated areas that will qualify for significant development incentives and other State benefits; and

WHEREAS, these districts are known as Downtown Development Districts ("Districts"); and

WHEREAS, the State is accepting applications for the designation of the initial round of Districts, with such applications being due on November 1, 2014; and

WHEREAS, under the Act, each applicant must submit a plan that includes the boundaries of, and a detailed planning and development strategy for, the proposed District ("District Plan"); and

WHEREAS, under the Act, each applicant must also propose incentives that address local economic and community conditions, and that will help achieve the purposes set forth in the Act ("Local Incentives"); and

WHEREAS, if an application is successful and the City of Milford, Delaware ("City") receives District designation, the District Plan and Local Incentives proposed by an applicant shall be binding upon the applicant; and

WHEREAS, the incentives associated with designation as a Downtown Development District would greatly benefit current and future residents, businesses, non-profit organizations and others within the City; and

WHEREAS, the Milford City Council of Milford, Delaware strongly believes that it is in the best interest of the City to apply for District designation.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF MILFORD:

1. Milford City Council supports the Application for Designation as a Downtown Development District; and
2. The City is authorized to appoint a District Administrator ("Administrator") to file the Application on behalf of the City and to provide such other documents and information as may be necessary or desirable in connection with the Application; and
3. If the Application is successful and the City receives notice that it has been selected for designation as a District:
  - a. The City shall adhere to the District Plan and the Local Incentives contained in the Application for the duration of the District designation; and
  - b. The Mayor of the City of Milford is authorized to execute such documents and enter into such agreements as may be necessary or desirable in connection with the Downtown Development Districts program and the rights and obligations of the City thereunder; and
  - c. The Administrator, or his or her designee(s), is authorized to carry out all District administrative and reporting requirements on behalf of the City for the duration of the Designation.

s/Mayor Bryan Shupe

*FY 2014-2015 Budget Adjustment/Municipal Street Aid Fund/Paving Project*

It was reported that Jerry's Paving Incorporation invoices for the overall paving projects previously approved came in below budget. It was decided to use the excess funds to pave Water Street (unofficial name) due to its close proximity to the new dog park that will open November 1st.

Mr. Carmean explained that a lot of streets did not need the work estimated and there was some money left over. He referenced a short street near the new dog park that Mr. Brooks has asked the city manager to pave numerous times because of the complaints he has received.

He explained it is a connection street between and at the end of Fisher and Marshall near the river. He said it does not look like a street because the black top has badly deteriorated. However, it does run parallel to the dog park and with its opening, he agrees it would be a good use of the funds.

When asked the name of the street, Mayor Shupe said he was never able to officially find a street name or sign.

It was confirmed that no transfer is needed; Mr. Carmean agreed the money was previously approved for another project.

Mr. Pikus moved to allocate \$16,813.05 out of Municipal Street Aid for the Water Street paving project, seconded by Mr. Gleysteen. Motion carried.

*FY2014-2015 Budget Adjustment/Under/Com Proposal/Billing Office-PNC Building*

Mayor Shupe advised that additional funding is required for the installation and equipment costs to complete the cabling at the new billing office. The proposal was submitted by Under Com in the amount of \$14,736.84.

Mr. Carmean confirmed this should be the largest of the last bills to be paid for the completion of the project.

When asked if this is electrical work, the city manager explained this is computer work.

When Mr. Mergner asked why this wasn't part of the original contract, Mr. Carmean explained that when the project began, they only wanted to start on the actual construction and that is all that was bid. He added that no contractor had the ability or desire to do a lot of the subcontracting so the city decided to bid those items out themselves.

He referenced the security cameras and pneumatic system and explained they were separate proposals. The initial contract was \$317,000 though he agrees it has been a work in progress. Mr. Carmean said we did not know how many workstations were needed when construction began. That is the reason so many subcontracts were needed.

Mr. Gleysteen asked if our IT Manager is coordinating this; Mr. Carmean said he is handling this and will be doing all the work in the IT Room including connections and server work.

Mr. Pikus recalled the money budgeted for the new billing office was \$2 million. He pointed out the savings by purchasing the PNC building for \$600,000 and only spending \$300,000 for construction though that did not include furniture, wiring, cameras and alarm. They were unknowns at the time though we are still way below the anticipated budget.

Mr. Carmean said there are only a couple more projects and we will finish just over \$1 million. He agreed with Mr. Pikus that the building on the river would have cost \$2 million. That building included a drive up window but it was in a flood plain and there was no additional space. We also later discovered that there were problems with the fill dirt.

Mr. Starling confirmed that the parking lots will be open all weekend and in particular on Sundays; Mr. Carmean verified they will never be closed. In addition, the library uses the back parking lot as was agreed several years ago.

Ms. Wilson moved to approve the Under Com invoice in the amount of \$14,736.84, seconded by Mr. Starling. Motion carried.

Ms. Wilson moved for payment to be transferred from the electric reserves, seconded by Mr. Pikus. Motion carried.

EXECUTIVE SESSION

Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed (council matter).

Mr. Pikus moved to go into Executive Session reference a personnel matter, seconded by Mr. Grier. Motion carried.

Mayor Shupe recessed the Council Meeting at 8:04 p.m. for the purpose of an Executive Session as is permitted by Delaware's Freedom of Information Act.

*Return to Open Session*

City Council returned to Open Session at 8:25 p.m.

*Council Matter*

Mayor Shupe reported that no action is needed as a result of the discussion in the Executive Session.

ADJOURN

With no further business, Mr. Pikus moved to adjourn the Council Meeting, seconded by Mr. Grier. Motion carried.

The Council Meeting adjourned at 8:26 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Terri K. Hudson".

Terri K. Hudson, MMC  
City Clerk/Recorder