

CITY OF MILFORD
COUNCIL MEETING MINUTES
May 22, 2022

The City Council of the City of Milford met in Regular Session on Monday, May 22, 2022.

PRESIDING: Mayor Arthur Campbell

IN ATTENDANCE: Councilmembers Daniel Marabello, Mike Boyle, Andrew Fulton, Todd Culotta, Nirmala Samaroo, Brian Baer, Jason James Sr., and Katrina Wilson

STAFF: City Manager Mark Whitfield, Chief Cecilia Ashe, and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

Per the Limited Public Health Emergency Declaration issued by Governor John Carney on March 1, 2022, and the virtual meeting provisions provided in Senate Bill 94, Milford City Council Meetings and Workshops are being held in the Council Chambers at City Hall, with attendees also participating virtually.

PUBLIC COMMENT SESSION PRIOR TO MEETING

John Jackson of 14 Beaver Dam Drive, Milford, has lived just outside the City for approximately twenty years. He was in attendance representing the Department of Delaware Military Order of the Purple Heart and spoke about making Milford a Purple Heart City which required a proclamation adopted. A plaque will be presented at that time and would provide a couple of parking signs with Purple Hearts and Welcome Combat Wounded Veterans.

The City Clerk will create the proclamation and it was agreed to be presented at the 2023 Riverwalk Freedom Festival.

As no one else was signed up, the Public Comment Session was closed.

CALL TO ORDER

Mayor Campbell called the Council meeting to order at 6:14 p.m.

INVOCATION AND PLEDGE

The invocation was given by Councilmember Wilson, followed by the Pledge of Allegiance.

PUBLIC HEARINGS/PUBLIC COMMENTS

*Adoption/Ordinance 2023-20
Conditional Use Application/DE OZ Property Management, LLC
0.373 +/- acres of land located at the southeast corner
of the SW Front Street and N. Church Street intersection
Application Type: Conditional Use
Comprehensive Plan Designation: Commercial
Zoning District: C-2 (Central Business District)
Present Use: Office
Proposed Use: Multi-family Residential
Address: 13 N. Church Street
Tax Parcel: MD-16-183.10-04-69.00*

See Council packet for complete application beginning on page five.

Planning Director Rob Pierce provide details of the application by reading into record the staff report and referencing related documents.

The public notice was advertised on April 30, 2023 and all property owners of lands within 200 feet of the subject parcel mailed a copy. The Planning Commission reviewed the application and recommends approval by a vote of 7 to zero.

Daniel Bond of 105 North Street, Milford, presented the application, adding that he is representing DE OZ Property Management LLC, introducing Gary Sheftick and Dustin Parker (also of the Parker Group).

Mr. Bond talked about the formation of the LLC whose members wanted to take advantage of the recent opportunity zone tax program which provides tax relief for people who invest in properties or businesses and designated opportunity zones that includes most of Milford on the Kent County side.

This group of investors recently purchased the old Carlisle Fire House on Church Avenue, and the Draper property which is across the street. One of the big challenges was the fire house is within the flood zone and the lowest piece of land in the downtown area.

To meet the city's requirements, the first floor would need to be elevated several feet. Though FEMA does not recommend trying to dry floodproof a building such as this. They will do a wet, floodproofing of the building to protect the structure. If there is a high flood, though the worst he found was three feet in the storm of 1961 that resulted in two to three feet.

Floodgates will be added along the perimeter of the structure to allow floodwaters to flow through the building, keeping the pressure inside and outside, and from below, constant. Then it can be washed out.

FEMA says floodproofing of the first floor can be used for parking, temporary storage, and access to upper floors. Sixteen maximum parking spaces will be added, and architects worked out a design of up to 16 apartments above, which is needed to make the project feasible.

They do benefit from the opportunity zone tax benefit, which requires a ten-year long-term investment. The property was also added to the National Register of Historic Places, individually listed, which is their highest classification. That means it will qualify for State and Federal historic tax credits.

In addition, it is in the Milford's Downtown Development District which provides a 20% reimbursement of the construction cost. With all the subsidies, they hope to make money on the project.

The ground floor will be used for parking and storage due to the possibility of flood that has occurred in the past. The first floor will be geared toward workforce housing with rental apartments that should attract nurses, teachers, and tenants with similar occupations.

The plan is to make this an energy efficient building and believe they will also benefit for some substantial new grants and low-cost financing for renewable energy and energy efficiency. Solar panels are being consider for the roof and geothermal used for the heating and air conditioning. Before the small triangle of land will be turned into a park, wells will be installed that will drive the geothermal heat transfer process which is a very efficient form of heating and air conditioning.

They hope this will result in a group of great downtown apartments for rent by the community.

It was confirmed that after the ten-year owner requirement is met, they could consider a condo type situation where purchasing would be considered. However, they will most likely sell the entire building as apartments at that time.

Though the downtown zoning district does not require parking, Mr. Bond shared that they also purchased the Draper property that has 45 marked parking spaces directly across the street.

Additional plans on other properties were also discussed by Mr. Bond, as well as parking opportunities in the area.

He also noted that an offer has been made to the City of Milford to provide an easement along the river where the small park is planned. If that occurred, the park would be public.

The floor was open to public comment. No one responded and the public hearing was closed.

Councilmember Marabello moved to adopt Ordinance 2023-20 granting a conditional use to DE OZ Property Management to allow a multi-family residential unit, seconded by Councilmember Baer. Motion carried by the following roll call vote:

Marabello-yes, it is a win-win for the City, and it conforms to all the requirement and will be an asset to the city.

Boyle-yes and agrees with Councilman Marabello. It will be a nice addition to the city, and it's a piece of property that's been vacant for about 10 years and will be nice to see it used again and not torn down.

Fulton-yes it complies with Chapter 230 and the variances have already been granted, and Planning Commission's recommendation of 7 to zero speak volumes and it is very well needed for the community.

Samaroo-yes, it complies with Chapter 230, and I believe it will be great for the downtown and provides more apartments and housing for citizens.

Baer-yes and thank Mr. Bond for getting the group together and improving our downtown and enjoys seeing the improvements in the downtown area.

James-yes, for the purposes as stated and thinks it's very important for the city to preserve as much historic value such as this building. And this also addresses a need for our workforce in the City of Milford for workforce housing. It is in great demand, and this helps address that issue.

Wilson-yes, based on the Board of Adjustments approval of all variances, and it is important to keep the characteristic characteristics of the building that our historical districts stay historical. I know Mr. Bond and knows the work he has done for this community. It also complies with the city's comprehensive plan. The building has been empty for a very long time and I am happy of the interest to make this a wonderful structure for whomever comes to our town and there is a need for affordable housing.

Culotta-yes, this is a great investment in downtown Milford and this group that is investing in this, is well respected. I moved here in 1982 and never remember this building having a lot of uses other than some state offices at one time. It is great for Milford.

Adoption/Ordinance 2023-18

Code of the City of Milford

PART II-General Legislation

Chapter 222-Water

Cross Connection Control Program

The complete application can be found beginning on page 28 of the Council packet.

Public Works Director Mike Svaby reported that the change to Chapter 222 of the City Code and the new Cross Connection Control and Backflow Prevention Program are the result of Title 16 of Delaware Code and regulations governing drinking water that took effect in February of 2021. Utilities have until February 2024 to identify sites where the requisite equipment is not in place.

This ordinance identifies the necessary text changes in the Water Code and the program document shows the steps the city will use to roll out the program and identify locations that may not be compliant after inspections are done.

He also recalled that this past November, HydroCorp, Incorporated participated in a meeting virtually. That firm crafted the program for less than \$1,000 and other than that, there will be no additional costs to the City of Milford. Any changes needed will be borne by the property owner

When asked if this may impact more commercial or residential properties, Director Svaby explained it will pertain to all though the city will begin with the commercial due to the higher risks with the greater water supply and exposure to cross connection and backflow.

He emphasized that only homes with a risk of backflow, with irrigation systems or other connections, that could expose the public water supply to contamination. Typically, multi-family units do not have irrigation which is the biggest exposure. He reiterated it is driven by exposure and not by use.

The floor was open to public comment. No one responded and the floor was closed to public comments.

Councilmember Boyle moved to approve Ordinance 2023-18, Code the City of Milford, Part II, General Legislation, Chapter 222, Water Cross Connection Control Program, seconded by Councilmember Fulton. Motion carried by voice vote with no one opposed.

COMMUNICATIONS & CORRESPONDENCE

Councilmember James commented on the Touch a Truck event this past Saturday. All the employees were very pleasant, as well as the Carlisle Fire Company. This event shows a downtown event does not have to cost much to bring our residents out.

Mayor Campbell said that the City Manager invited he and Chief Ashe to City Hall that same time where residents came and asked questions. No one came at first, but then a lot of people came later.

The packet included SCAT and DLLG dinner information.

Mayor Campbell reported that DLLG held their General Assembly this past week and approximately sixty people showed up, though the legislators somewhat shunned the representatives, and many left while waiting to meet with their state representatives.

MONTHLY FINANCE REPORT

Finance Director Lou Vitola reported the month finances start on page 69 of the Council packet. The cash balance is down a little bit over \$5 million. That is due to the RTT funds that were used to offset the police facility construction costs to save on capitalized interest. So aside from that \$5,146,000, the general fund draw of \$600,000 marked the variance in in cash this month.

Reviewing the P&L pages, we still look good versus the budget, though not as strong as FY22 due to staffing shortages.

That is not true for the general fund P&L and are still ahead of the total budget, but not as strong as the past two months. As we approach the end of the year in the general fund, we're projecting somewhere around \$200,000 that will carry forward from FY23 into FY24 to help offset those budget expenses.

Not much activity in ARPA with 100% in April related to police vehicles.

He reviewed a graph showing all expenses related to the police facility project totally the \$16.5 million budget and is preparing the first half of the activity at \$8.5 million. There is another \$7.3 million of work to be done from a billing respective.

When asked the date the \$5 million of RTT transfer will be replaced, Director Vitola said possibly the end of July. Though that \$5 million will be used again for the second half of the project.

Lou Vitola, Finance Director: but then we'll be. We'll be incurring expenses for the second half of the project, and we're going to use the 5 million again. Then we'll close on the second half of the project.

Councilmember Boyle moved to accept the April Finance Report, seconded by Councilmember Fulton. Motion carried.

NEW BUSINESS

Adoption/Resolution 2023-07/Final Acceptance/Brookstone Trace Phase 1

City Engineer James Puddicombe explained that this resolution will make the rights-of-way in Brookstone Trace fully the city's responsibility should Council accept them. The streets will be added to the Municipal Street Aid list for funding from the State of Delaware for next fiscal year, because the acceptance is after the FY24 deadline.

This includes sewer, water, storm piping and right of ways (roadways).

The floor was open to public comment.

Jennifer Melson stated she is with Premier Community Association management and is the managing agent for Brookstone Trace, and just wanted to confirm that as far as the stormwater management, as far as everything being past that is contingent upon the approval of Sussex Conservation approving and accepting as all repairs from the stormwater management system.

Engineer Puddicombe explained the stormwater facility is under the purview of the Sussex Conservation District. The city is not an SM4 That stormwater facility is covered by the conservation district under kind of their purview. because the city isn't an MS4 and does not have control of the actual stormwater facilities. The city would be taking over the pipe system. but that work is directed through the conservation district. Today, the city will be accepting the streets, the right of way, the water, and the sewer, as well as the storm water piping, but not the actual facility. That facility is still covered under bond will be completed, though he believes some minor grading is needed. He did check with the conservation district who gave the city the nod to accept it.

Councilwoman Wilson moved to accept Resolution 2023-07 accepting the water, stormwater, sewer systems and rights of way in the Brookstone Trace Subdivision, Phase 1, that will be dedicated for public use into the City of Milford's public utility system, seconded by Councilmember Boyle. Motion carried with no one opposed.

Adoption/Resolution 2023-08/Walnut Village Phase 3

City Engineer Puddicombe stated this is a similar situation. Walnut Village does not have a pump station and instead is all gravity, with individual grinders in Phase 3 for their sewer system. Their water system is a standard water system. and stormwater is like that of Brookstone Trace, where everything is done on the piping side. All items have been repaired, mostly minor, which were completed a couple months ago to ensure the system is in good working condition considering it has been there for about four years.

This will finalize this community and all roads are top coated and includes sewer, water, stormwater piping, and right of ways as well for Phase 3 of Walnut Village, which closes it out as a subdivision and will fall off the city's tracking, but then go into the maintenance period.

The floor was open to public comment. No one responded and the floor was closed.

Councilmember Fulton made a motion to accept the water, stormwater, sewer systems and rights of way in the Walnut Village Subdivision, Phase 3, that are being dedicated for public use into the City of Milford's public utility system, seconded by Councilmember Wilson. Motion carried with no one opposed.

Introduction/Ordinance 2023-21/Petroleum Equipment Incorporated/Cypress Hall

An Ordinance of the City of Milford Granting to Petroleum Equipment Incorporated, Its Successors and Assigns, the Nonexclusive Right, Privilege, Authority and Franchise to Distribute Natural, Mixed or Manufactured Gas and to Construct, Operate and Maintain in, along, and upon Public Places, Associated Mains, Valves, Manholes, Meters, and Connections for Purposes of Distributing Gas to the Inhabitants of Cypress Hall Subdivision Phase I in the City of Milford, in Accordance with the Terms and Conditions of the Franchise Agreement, Executed by All Parties and effective June 24, 2023.

Mayor Campbell introduced Ordinance 2023-21 which involves a franchise agreement to provide propane at Cypress Hall Subdivision Phase I. Council will make a final decision at their meeting on June 12, 2023.

ADJOURNMENT

Councilmember James moved to adjourn the meeting, seconded by Councilmember Wilson. Motion carried.

The Council Meeting adjourned at 7:16 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder