REGULAR COUNCIL MEETING

The Regular Council Meeting was held on July 25, 2016 at 7:30 p.m. with Council President Slavin presiding. Council members present were Mr. Anderson (arrived at 7:31 p.m.), Mr. Sudler, Mr. Neil, Mr. Lewis, Mr. Cole, Mr. Hosfelt, Mr. Hare, and Mr. Hutchison (departed at 7:44 p.m. and returned at 7:46 p.m.).

Council staff members present were Deputy Police Chief Mailey, Mrs. Mitchell, Mr. Koenig, Mrs. Townshend, Deputy Fire Chief Rhodes, City Solicitor Rodriguez, and Mrs. McDowell. Mayor Christiansen was absent.

OPEN FORUM

The Open Forum was held at 7:15 p.m., prior to commencement of the Official Council Meeting. Council President Slavin declared the Open Forum in session and reminded those present that Council was not in official session and could not take formal action.

Mr. Ted George, 77 Billings Drive, informed members that he had been a member of Christ Episcopal Church, at the corner of Water and State Streets, for almost 50 years, and was very concerned about something that occurred beyond everyone's control, including the City Manager and the Mayor. He stated that in December and January of 2014 the City had snow and ice, and the City and State trucks piled ice and snow approximately 100 feet on the sidewalk that borders Water Street, noting that they also piled it up on top of the church's short wall. Mr. George explained that the result was that 100 feet of the short wall bowed and buckled, noting that many bricks were broken. He stated that a section of the curb was also broken, and for parishioners to be able to park they have to be careful not to run their car tire into the curb because it juts out.

Mr. George stated that the Mayor was well aware of this situation when he called him about it, noting that Mayor Christiansen took his oath of office on July 25, 2014 and was the Mayor at the time this snow and ice hit. Mr. George explained that when he asked the Mayor when this would get fixed, his answer was to get the City Manager, Mr. Scott Koenig involved. He stated that in early May 2015 he met with Mr. Koenig and the Mayor, and Mr. Koenig indicated that the City had three (3) projects to get to. Mr. George noted that it was now July 2016, nothing had been done towards the repair, and his church is frustrated. He stated that the 100 foot sidewalk is so bad that ladies with high heels can twist and sprain an ankle in a heartbeat.

Mr. George advised that he was turning to members of City Council to try to expedite this and get the problem on Water Street fixed for the church as quickly as possible. He stated that he could answer any questions regarding this matter, noting that he is the historian and was in buildings and grounds on the vestry at the time this happened.

The invocation was given by Chaplain Wallace Dixon, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

Mr. Hutchison moved for approval of the agenda, seconded by Mr. Neil and unanimously carried.

Mr. Neil moved for approval of the Consent Agenda, seconded by Mr. Hosfelt and carried by a unanimous roll call vote.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF JULY 11, 2016

The Minutes of the Regular Council Meeting of July 11, 2016 were unanimously approved by motion of Mr. Neil, seconded by Mr. Hosfelt and bore the written approval of Mayor Christiansen.

PRESENTATION - LUTHERAN SENIOR SERVICES OF DOVER, INC. - PAYMENT-IN-LIEU OF TAXES (PILOT)

On behalf of members of Council, Councilmen Cole, Hare, Lewis, and Neil accepted a contribution from Mr. Gary Coy, Executive Director of Lutheran Senior Services of Dover, Inc., in the amount of $27,227 as payment-in-lieu of taxes (PILOT) for expenses associated with City services provided to Lutheran Senior Services of Dover throughout the year.

Mr. Coy informed members that Lutheran Senior Services of Dover, Inc. is a non-profit organization that provides housing for seniors at Luther Towers and Luther Village. He noted that the organization began in 1979 and, according to articles he had read, it was controversial. Mr. Coy stated that they built their first building with a bond bill with the State, and had a contract with Housing and Urban Development (HUD) to provide 149 units for low-income seniors, 62 years old and above. The first building opened in 1980, and the second building, Luther Towers II, opened in 1984, with another 50 apartments through a Federal Housing Administration (FHA) loan that HUD guaranteed with a Housing Assistance Payments (HAPs) contract. He noted that they changed programs and became a Project Rental Assistance Contract (PRAC), a project assigned program for seniors. In 1994 they built Luther Towers III with 49 apartments, and in 1998 they built the fourth building on Silver Lake with 44 apartments.

Mr. Coy stated that they ran out of room, so the board set out on a search for more property and bought 35 acres from John Hunn Brown, behind Safeway. He advised that, in November of 2006, they opened Luther Village I and provided 68 apartments. Mr. Coy stated that he came along in 2008, in 2009 Luther Village II opened, and in November 2015 they dedicated Luther Village III, with 45 apartments. He informed members that Lutheran Senior Services of Dover, Inc. currently has 436 apartments and approximately 460 seniors living in those apartments, noting that they have a nice proportion of the population of the seniors 62 and above in the City.

Mr. Coy explained that the seniors living in the Lutheran Senior Services of Dover, Inc. apartments are your fathers, your mothers, your brothers, sisters, grandfathers, and grandmothers, they are seniors trying to make it, and most of them are living on Social Security. He asked members how they would like to live on $7,500. Mr. Coy advised that the rents are set based on a formula, which is 30% of their income, and HUD subsidizes the rest so that Lutheran Senior Services of Dover, Inc. can make operating costs. He reiterated that they do not make a profit. Mr. Coy explained that they do not have overhead and their entire board of directors works for nothing and dedicates their time to the vision of providing safe, affordable housing.

Mr. Coy noted that the average age is 75 years old in all the buildings. Referring to the impact that Lutheran Senior Services of Dover, Inc. has on the City, he stated that they provide a service by providing housing. He indicated that they have approximately 30 employees, noting that they are currently down a couple of employees. Mr. Coy stated that there are 12 full-time employees in addition to himself, and the rest are part-time employees. He noted that they have hired individuals ranging from 18 years old to 82 and employ some of their residents. They pay about one and a half times the minimum wage and, although it is not a lot of money, it helps out and is also money pumped into the community.

Mr. Coy informed members that Luther Village III has 45 apartments and the waiting list for that income level was five (5) years when they built the building. He asked members to imagine being on a list for five (5) years when you are 62 years old, noting that individuals can put in an application, but seniors are growing in need. Mr. Coy indicated that HUD is also hurting for money, explaining that last year, the building that Lutheran Senior Services of Dover, Inc. built for $8.5M, for 45 apartments, was not subsidized by HUD. He stated that last year, for the entire United States, those particular senior projects were approximately $60M total and Lutheran Senior Services of Dover, Inc. built an $8.5M building with private funding grants. Mr. Coy explained that although they do not receive a subsidy, they only charge rent that is approximately 30% of what the residents earn. He stated that they have a wonderful facility and invited members to visit for a tour.

In addition to housing, Mr. Coy stated that Lutheran Senior Services of Dover, Inc. also provides transportation to medical appointments, shopping, and banking for their seniors, noting that a lot of them cannot afford cars. He asked members to imagine having no income and a $9 per month rent. Mr. Coy advised that there are a lot of needs out there, and he is concerned when he reads about non-profits needing to pay taxes. He explained that HUD allows Lutheran Senior Services of Dover, Inc. to budget because they understand; however, there are a lot of non-profits that cannot budget because they are totally dependent upon gifts and grants that are not from the government, including the Food Bank, Mom's House, homeless shelters, and many other places. Mr. Coy stated that Lutheran Senior Services of Dover, Inc. has people that have come in off the street after being on the waiting list for a year and a half, noting that their lowest income category is a year and a half. He informed members that they receive calls almost daily from seniors and senior veterans that are looking for a place to stay, and the staff has to tell them to "please fill out an application, but it might be a year and a half." Mr. Coy stated that it is tough out there.

Referring to the Lutheran Senior Services of Dover, Inc. PILOT, Mr. Coy stated that HUD has allowed them to budget for it. He stated that they had a good year, met all of their goals, and were able to live within their budget, noting that fortunately it did not snow too much, so they did not have to pay much for snow removal. Mr. Coy stated that this year's contribution of $27,227 was the same amount as last year. He expressed his hope that next year they will have a little more with their new building, since they plan to do that. Mr. Coy stated that he could not say enough about their police support, noting that they do get problems and have people coming in with warrants out. He advised that when they find out, they call the police, and they show up. Mr. Coy stated that he was also grateful to the fire department, noting that they have not had any fires; however, the seniors have a lot of stove incidents. He stated that the members of the fire department are professionals all the way.

Mr. Sudler thanked Mr. Coy for all that he does, noting that he understands the needs because his family, the Mishoe family, has served the community, veterans, handicapped, and senior individuals off State College Road. He explained that, as a manager of that facility, he understands Mr. Coy's sacrifice and the challenges that he faces. Mr. Sudler stated that he supports non-profit organizations and would not be voting for taxes for non-profits.

Mr. Hutchison expressed sincere thanks to Mr. Coy and the board of trustees for their leadership and commitment to the people that they take care of, and for the relationship which they have with the City of Dover. He stated that since 1989, Lutheran Senior Services of Dover, Inc. has voluntarily contributed a PILOT to the City. Their initial payment in 1989 was $5,000 and, with this year's contribution of $27,227, the approximate total contribution to date is $464,756.

On behalf of members of Council, Mr. Slavin thanked Mr. Coy.

PRESENTATION - RECOGNITION OF SERVICE - CINDY SMALL - DOWNTOWN DOVER PARTNERSHIP - JUNE 2008 THROUGH MARCH 2016

On behalf of members of Council, Councilmen Anderson, Hare, and Neil presented Mrs. Cindy Small with a Dover Cup in recognition of her many years of service on the Downtown Dover Partnership (DDP). Mr. Neil noted that although Mrs. Small was being honored for her role in the DDP, she was also a legend with Kent County Tourism and greater Dover tourism. He stated that he had a great deal of respect for Mrs. Small for everything she had done, including the outstanding job she did for the events that continue to happen, particularly Dover Days which has been a phenomenal success.

Mrs. Small thanked members of Council. She stated that it was her honor and privilege to serve the City of Dover, members of Council, the downtown, and the citizens, noting that it will always be close to her heart.

PRESENTATION - COMIC CON

Mrs. Margery Cyr, Director of the Dover Public Library, reminded members that during the Regular Council meeting of July 11, 2016, she and Ms. Catherine Wimberley, Head of Youth Services, provided a presentation regarding the Maurice Sendak Memorial Exhibition which will have its grand opening on Friday evening, July 29, 2016, and Saturday, July 30, 2016. She stated that the summer just keeps getting better, explaining that she had asked Ms. Katherine Goff, Teen Librarian, and Ms. Kerri Hollyday, Library Assistant in the Teen Loft, to provide a presentation regarding Comic Con, which will take place on Saturday, August 6, 2016.

Ms. Goff and Ms. Hollyday reviewed a presentation entitled "Dover Comic Con 2016" ***(Exhibit #1)***. Ms. Hollyday explained that one of the Dover Public Library's goals is to provide patrons with an experience that extends beyond the traditional expectations of a library. She stated that libraries today are more than just books on shelves, noting that the Dover Public Library has different collections, programs, and activities for everyone of all ages. Ms. Hollyday advised that Comic Con came about as a new way and a unique platform to introduce new people to the library and the services offered. She stated that over the past three (3) years, it has expanded beyond the borders of the library into other community groups such as the Biggs Museum, First State Heritage Park, and the Schwartz Center, and this year to the Dover Art League and Delaware Pride as well.

Referring to page 3 of the presentation, Ms. Hollyday reviewed two (2) graphs depicting the growth of Dover Comic Con, noting that the event began in 2014 with eight (8) artists, four (4) panels and programs, five (5) vendors, and two (2) food trucks, and this year they were expecting 41 artists, 19 panels, 60 vendors, and 15 food trucks. She stated that attendance had also increased, explaining that in the first year staff would have been happy with about 500 people and 2,500 people attended. Ms. Hollyday informed members that last year approximately 7,000 people attended, and they were preparing for 10,000 this year.

Ms. Goff, referring to pages 4-5 of the presentation, reviewed graphs depicting the statistics for comparable events, explaining that the projected attendance per day for the 2016 Dover Comic Con was similar to the per day attendance for the Baltimore Comic Con; Otakon, held in Baltimore; and Awesome Con, held in Washington, D.C. She noted that these events run for several days; however, per day, Dover Comic Con is on par with them. Ms. Goff advised members that the projected attendance per day for the 2016 Dover Comic Con was exactly the same as the attendance for Firefly Music Festival when it began in 2012 and Big Barrel Country Music Festival when it began in 2015. She indicated that Dover Comic Con can only grow from this, and they are seeing evidence of that daily.

Ms. Goff shared the public service announcement (PSA) that WBOC put together and began airing on July 22, 2016. Ms. Hollyday informed members that the PSA was posted on the Library's Facebook page, had reached over 10,000 people, was shared 118 times, and more than 4,000 people had viewed the whole video. She stated that the Library was really excited and looking forward to everyone coming in and everyone from the community coming out for this event.

Mr. Neil stated that he thought it was marvelous when he went last year, noting that he was greeted like a character even though he was not in uniform. He noted that, with the Maurice Sendak exhibit beginning on July 29, 2016 and running through the middle of September, and Comic Con, it was like hitting a double header. Mr. Neil indicated that this event is terrific for young people and the young at heart. He explained that, even though he was one of the old guys, he appreciated what was going on, talking to the people, and he noted how much they appreciated it. Mr. Neil applauded the effort of the Library.

Responding to Mr. Anderson regarding the hours of Comic Con, Ms. Hollyday stated that this year Comic Con would begin on Friday night with a kick-off event on Loockerman Way Plaza with the arrival of the Ghost Busters and Ecto 1 at 5:30 p.m., and an In Harmony concert scheduled for 6:30 p.m. She informed members that the Schwartz Center would be showing the original Star Wars movie and tickets would be $7, noting that this was the same place that the film was originally shown in Dover in 1977. Ms. Hollyday stated that Kent County Tourism was providing the fireworks that were cancelled for Dover Days on Friday night as well. She advised that staff decided to begin the event on Friday night this year to make sure that people have something to do on Friday, explaining that last year staff was shocked that people were coming from out of state and staying. Ms. Hollyday announced that the event on Saturday was scheduled from 10:00 a.m. until 5:00 p.m.

In response to Mr. Anderson, Ms. Hollyday stated that the TARDIS would be at Comic Con again this year; however, it would be outside the Old State House this year because the Division of

Historical and Cultural Affairs are bringing back their play "Caesar Rodney Meets Dr. Who." She informed members that the play would be held at 11:00 a.m., 1:00 p.m., and 3:00 p.m.

COUNCIL COMMITTEE OF THE WHOLE REPORT - JULY 12, 2016

The Council Committee of the Whole Meeting was held on July 12, 2016 at 6:00 p.m., with Council President Slavin presiding (departed at 6:22 p.m., returned at 6:23 p.m., and departed at 6:45 p.m.). Members of Council present were Mr. Anderson (arrived at 6:18 p.m.), Mr. Sudler, Mr. Neil, Mr. Lewis (arrived at 6:16 p.m.), Mr. Cole, Mr. Hare, and Mr. Hutchison. Mr. Hosfelt was absent. Mayor Christiansen was also present. Civilian members present for their Committee meetings were Mr. Caldwell (*Parks, Recreation, and Community Enhancement*), Ms. Arndt and Mr. Blakeman (*Utility*), and Mr. Shevock and Ms. Stewart (*Legislative, Finance, and Administration*). Mrs. Horsey (*Parks, Recreation, and Community Enhancement*) was absent.

LEGISLATIVE, FINANCE AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held with Chairman Hare presiding.

Wesley College Proposal for Former Dover Public Library Building

Members were provided correspondence dated July 12, 2016 from Robert E. Clark II, President, Wesley College, and a proposal entitled "The Adaptive Re-use of the Former Dover Public Library Proposal." President Clark stated that the proposal was related to the College's acquisition of the old Dover Public Library, but more accurately it related to the community of Dover. He indicated that he did not look at Wesley College as a small college in Dover but as Dover's college. President Clark stated that the proposal would provide the community with an educational building and infrastructure for health care, which was a very highly needed service in the community. He noted that Wesley College would be starting a Master's of Occupational Therapy program this fall, which would be the only such program in the Delaware, Pennsylvania, and New Jersey region. President Clark advised that there are a couple of hundred registered occupational therapists in Delaware and a need for almost 250 more, stating that the proposal would meet this need and, more importantly, connect the downtown to Wesley College and provide an area where there would be students, faculty, and families 24/7. He estimated that there would be at least 500 students using the facility as the program starts off and then grows. President Clark indicated that this would be a walking area that would be an extension of the campus and revitalize that portion of State Street. He noted that he was new to Wesley College; however, the tradition of the Wesley College/Dover partnership goes way back and this partnership was a strong suit of the community and area and one (1) of the things that attracted him to Dover. President Clark stated that he and the Wesley faculty, staff, and students must meet the extended family members in Dover. He noted that the City is also very interested in the future and

understands service above self. President Clark advised members that education is not bound by brick and mortar and a four (4) year time continuum but is a lifelong process. He believed that this facility and this partnership, with the City providing the skeleton, would provide the heart and soul that would move this particular building into an arena where it becomes something living that not only educates the future but gives back to the community right away.

Mr. Hutchison noted that Wesley College would be looking at spending money on the building in order to meet standards and bring it up to code. President Clark stated that engineers had gone through the building. The estimated cost to meet mechanical, electrical, American Disabilities Act (ADA), and fire suppression codes, as well as to provide services for their educators, would be approximately $2M.

Members were provided an email from Mr. Thomas Leary, former City Council President, dated July 12, 2016, regarding Library Giveaway. Referring to this email, Mr. Neil expressed sympathy for the idea of spreading the Wesley Campus into the downtown area; however, stated concerns regarding the issues that had been expressed by Mr. Leary. Mr. Neil noted that the value of the building was not known at this time, and he was unsure how much of a delay examining this would cause in the process. He indicated that it was unknown what the building would bring to the City in taxes and other development if it were used for commercial purposes, and he believed this must be determined before saying yes to the proposal. Mr. Neil loved the idea and what it could mean to the City; however, he felt that this step needed to be taken before going ahead. He stated that this was the first time he was seeing the proposal and wanted to be able to study it. Mr. Neil advised that if action is delayed on the proposal, this would not be because he was personally opposed; however, as a member of Council and representative of his constituents in the Third District, he believed this step must be taken.

President Clark stated that he understood, and he appreciated everyone's interest and desire to take a very hard look at the proposal and what it would bring to the community. He felt that the harder the proposal was looked at, the more it would be realized how beneficial it would be to the City and its future. President Clark stated that there is a balance, noting that this matter could be looked at in terms of cash flow and immediacy in terms of fiscal reality and money in hand. He advised that time and time again, history had shown that this approach works very well for the short term; however, the long term is the economic development and the potential that something provides. President Clark stated that, as members review the proposal and receive other input, they would see the long-term benefits, noting that research shows that educational institutions, partnering with communities, provide stimuli. He indicated that a business would bring in the eight (8) to five (5), Monday through Friday presence of those who come to work and leave; however, an educational institution has a 24/7 life of its own. President Clark stated that people would be coming and going, and there would be not only the immediacy of education and the opportunities provided by the curriculum, but the interest that would be drawn from external entities, whether health care consortiums or future students. He indicated

that people would be brought into Dover and, more importantly, closer to downtown. President Clark advised that they had done an economic impact study, and the results surprised him, noting that Wesley College alone brings $86M into Kent County annually. He felt that everyone was one (1) team, family, and future, that Wesley is Dover and Dover is Wesley, and he felt that Wesley was blessed to be part of this partnership. He thanked members for what had been done in the past and looked forward to continuing this partnership going forward.

Mr. Slavin thanked President Clark and stated his appreciation that Wesley College had come forward with this proposal. He advised that President Clark had indicated to him that he wanted to make sure this was heard with full, open transparency both at the committee and Council levels.

In response to Mr. Slavin regarding whether there was an appraisal on this property, Mr. Koenig indicated that there was an appraisal from 2011, and another had been ordered and should be available next week. Mr. Slavin advised that this information would be available in 13 days time when this matter comes forward before the full Council.

Mr. Slavin noted that if the City were to make such an investment, it would not be desired for the property to be flipped and sold for a drive-through McDonald's or something of that nature. He questioned, as an institution, what Wesley College would be willing to take on to ensure that this would be used for educational purposes. Responding, President Clark stated that there could be any type of clause stating that if at any point Wesley College looks to sell or turn the property over, the City would get first rights of refusal. He gave his word that the purpose was not to flip the property or make money but to provide opportunities for the futures of the young men and women who will be the future Doverites that impact the economy and the culture of the City. President Clark reiterated that this was about our community and our kids. He agreed to a clause that has a safe out so that 20, 50, or 100 years down the road, if something gets tight, that will not be used as a bargaining chip. President Clark indicated that it would be an educational institution and an educational building that will provide the opportunities for our children and the community in the future.

Mr. Slavin expressed his opinion that economic development strategy begins with taking care of the existing employers and job base to protect them. He advised that if he was told that an existing employer had come forward, was willing to make a multi-million dollar investment, and would adaptively reuse a building that had been vacant for a number of years, and that all of this would occur in a downtown revitalization area where the City had focused time, energy, and money in getting this exact thing to be done, his only question would be what could be done to help. Mr. Slavin felt that the answer would be that the City would give abatements, tax credits, waivers, and may put other incentives on the table. For example, he felt members should think about the Garrison Oak Technical Park and what incentives the City would put in place. Mr. Slavin indicated that if calculated over the life cycle

of the building, the incentives would probably far outstrip the value that the City has in the building. In addition, he expressed concern that there had been no other plan for this building, and it was suffering because of this. He stated the need to address the issue of what would be done with the building because there is very little capacity inside a municipal government to think strategically about vacant properties. Mr. Slavin expressed the need to take advantage of the opportunity when it presents itself. He indicated that he was very supportive of the proposal and thanked President Clark for coming forward and answering questions. Mr. Slavin stated that if there were questions regarding the appraisal, this information could be available at the next full meeting of Council in 13 days and President Clark would be invited back for this.

Mr. Shevock advised that he would like to see the appraisal and, if the proposal is approved, that clawback phrasing would indicate that the building would come back in the same way that it went through.

Responding to Mr. Shevock, President Clark stated that the project would be started almost immediately and the date of project completion would be determined when they decide where things would be put in the footprint. He explained that Wesley's Master's of Occupational Therapy program shares some rooms in Johnston Hall, the former Frear Building. President Clark noted that this new program would start in the fall and was allowed 20 new students by their accreditors. They were now interviewing almost double this number. It was projected that in the next two (2) to three (3) years, they would be at 90 plus, and a couple of rooms would not satisfy this. President Clark advised that there are a lot of preliminary courses for health care programs, including math, science, and higher core freshman courses. As the program grows, these will also grow. He indicated that Cannon Hall was almost at capacity for labs. President Clark stated that the proposal would allow some relief by bringing some of the core science programs to the old Dover library, possibly including some labs that specifically support the health science and health care curriculum.

President Clark noted that starting the Master's of Occupational Therapy would be great for bringing people in. In addition, he noted that Wesley College was looking at what they can do for their existing infrastructure, and one (1) of the core components of this would be expanding kinesiology. President Clark advised that this would mean bringing in more professors, adjuncts, and staff to support the undergraduate feed that would lead to the Master's of Occupational Therapy program. He noted that some large schools have pro bono type clinics where children and the community are brought in and pay less than the full price of a large health care institution for these educational and collegiate services. President Clark stated the desire to start immediately and get faculty chairs to lay out what they think would be piece and parcel of the proposal. He stated that he, Provost Jeff Gibson, and the Vice President for Finance had considered this, and he did not want to make decisions for his experts until they had a chance to lay this out. President Clark indicated that he did not want to talk too much about this within his organization and

raise undue expectations before coming before Council and until there was a firm path.

Mr. Shevock questioned if part of the proposal would be up and running within three (3) or six (6) months. Responding, President Clark indicated that the former Frear Building had taken a couple of years; however, he felt the current proposal would take a little less time, based on his own engineering background and the engineers who were brought in. He indicated that, although $2M was substantial for them, it was not quite as behind as the former Frear Building was. President Clark stated that he would provide a report once he receives more firm data.

Mr. Shevock questioned how much parking would be required. Responding, President Clark indicated that they were only asking for the parking alongside the old Dover library, noting that the point was not to create a Wesley entity but to join the community. It was desired that students would be walking through town to attend health care courses from the main campus. President Clark believed that the parking, though minimal, would meet their needs because it would provide spaces for extra instructional professors, etc. He expressed the desire for people to be in the streets. His vision and hope that, at sometime in the future, if someone was brought in blindfolded to Bradford, Loockerman, or State Street, or to Wesley College and the blindfold was removed, that they would identify their location as Dover. President Clark desired that it would all look the same and that Wesley would not be a college in a town but the college of the town and the same community.

Mr. Hare informed members that he had heard it said that to make a downtown area grow, "med or ed" is needed. He felt that this was something that would help downtown grow. Mr. Hare indicated that he had spoken to some commercial realtors, stating his belief that when the appraisal comes out and everything needed to make this building acceptable is determined, this would be a benefit. He indicated that the building had expenses that were costing the City and he was totally in favor of doing this. He felt it would be a benefit for the City and stated that if Wesley College decided to sell the building in 100 years, he did not care.

Mr. Lewis questioned if there had been other bids received or solicited for the building. Responding, Mr. Hare stated that there had not. Mr. Neil noted that there had been a bid; however, the bidder did not identify what he would be using it for. Mr. Hare indicated that there were quite a few things that would have to be done that the City was not willing to do. Mr. Hutchison advised that there had also been many discussions with the State of Delaware pertaining to this building; therefore, there had been more than one (1). Mr. Hare noted that each time, there had been a cost of renovation. Mr. Lewis questioned if the property had been well advertised and Mr. Hare stated that it had been. Mr. Neil indicated that he did not think it had been advertised. Mr. Hare stated that the Economic Development Office had been trying to get rid of the building for the last five (5) years. Mr. Neil advised that the bid that he was aware of was unsolicited.

(City Clerk's Office Note: Subsequent to the meeting, members of Council were advised that during their meeting of October 21, 2015, the President's Counsel on Public/Private Partnerships and the Future of City Hall, Weyandt Hall, Former Dover Library, and Other City Properties considered an unsolicited proposal for the purchase of 45 South State Street and 5 East Reed Street from Mr. L. D. Shank, Dover Renaissance LLC and this matter was referred to City Council for discussion in Executive Session.)
(City Clerk's Office Note: According to Mr. Scott Koenig, City Manager, the building, which was vacated by the library in September 2012, was briefly used by the State for the restoration of artifacts damaged in a fire at Legislative Hall and utilized by City staff for several months during the roof replacement at 5 East Reed Street. He advises that the building has never been placed on the market for sale with any real estate company or advertised for sale in any public venue.)

Ms. Stewart indicated that she would not be voting on this matter because she is a member of the Wesley College Alumni Association.

The Committee referred the Wesley College proposal to City Council for a final decision at their next meeting.

Mr. Hare moved to defer the Wesley College proposal for the former Dover Public Library building for future consideration, seconded by Mr. Sudler.

Mr. Neil noted that it was a good idea to defer this item.

The motion to defer the Wesley College proposal for the former Dover Public Library building for future consideration was unanimously carried.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

Proposed Ordinance #2016-18 Amending Appendix B - Zoning, Article 3 - District Regulations, Section 27 - Corridor Overlay Zone 1 (COZ-1), Subsection 27.66 - Building Height (Sponsors: Hare and Hutchison)

Mrs. Dawn Melson-Williams, Principal Planner, advised members that Proposed Ordinance #2016-18 related to the height of buildings within the Corridor Overlay Zone 1 (COZ-1). She explained that this Zoning Text Amendment was being brought forth by an applicant who sought sponsors of several City Council members. Mrs. Melson-Williams noted that the applicant, Mr. Phil McGinnis, McGinnis Commercial Real Estate Company, was in the audience. She informed members that the Corridor Overlay Zone is a zoning overlay that exists along the corridors of Route 8, Saulsbury Road, and McKee Road in the City. This Corridor Overlay Zone places additional design parameters on development along those corridors in order to present a more urbanized style of land development activity in that area. Mrs. Melson-Williams indicated that one (1) of the components is a building height

limitation of two (2) stories or 35 feet, which may be more restrictive than the base zoning of properties along that corridor, where the building height may be taller. This proposal would make changes to how the building height is presented on the property. Within the first 100 feet of depth of the property from the corridor, it would continue to be limited to two (2) stories or 35 feet in height, but beyond that 100-foot depth it would revert to whatever the base zoning allows. Mrs. Melson-Williams advised, for example, that some areas along that corridor are zoned C-2A, which allows for a building height up to six (6) stories and 75 feet.

Mrs. Melson-Williams advised that the proposal would be an amendment to the Zoning Ordinance; therefore, it would begin at the committee level, would be referred to City Council to set the public hearing dates required for the Planning Commission and City Council, and final action would be taken by City Council. Mrs. Melson-Williams advised that the ordinance specifically related to building height within the Corridor Overlay Zone and staff's recommendation would be formally presented with the Planning Commission part of the process. She noted that staff assisted Mr. McGinnis in crafting the language for his concept. She indicated that staff recognized that there are some issues within the Corridor Overlay Zone related to how some other portions of the Zoning Ordinance had been updated over the years, but had not had the opportunity to concentrate on the Corridor Overlay Zone, noting that this was on their to-do list.

Members were provided correspondence dated July 12, 2016 from Michael J. Harrington, Jr., President, Kent County Association of Realtors, regarding Proposed Ordinance #2016-18 - Corridor Overlay Zone Height Limitation Amendment.

Mr. Sudler questioned if there had been feedback from property owners or community members in the surrounding areas and, if so, what the recognized issues were. Responding, Mrs. Melson-Williams indicated that the current agenda item was the first step in the process of the proposed zoning amendment, that a public hearing would be advertised, and the community would then have the opportunity to give input. She indicated that there were several development applications along the corridor that would probably be interested in the potential change and what it may mean for their development opportunities in those areas.

Mr. Neil questioned if the height of the building would interfere with the Dover Air Force Base and the planes flying over. Responding, Mrs. Melson-Williams indicated that it would not, noting that the Corridor Overlay Zone is not on the east side of town but is specific to the corridors of Route 8, Saulsbury Road, and McKee Road. She advised that there is a different zoning overlay in the area of the Dover Air Force Base called the Airport Environs Overlay Zone that has some limitations related to height.

Mr. Neil asked if other buildings could also be expanded in height if this were permitted. Responding, Mrs. Melson-Williams indicated that there was potential that others could seek to add stories along that corridor if they were in a portion of the property that would be subject to this limitation. Mr. Neil questioned if this would add to the assessments. In response, Mrs. Melson-Williams advised that the tax liability could potentially be impacted if buildings were being expanded or renovated.

Mr. Anderson stated he was glad that this was coming about, stating that he had been concerned about a lot of the restrictions in the Corridor Overlay Zone. He questioned if there was a timetable for the whole concept to be evaluated. In response, Mrs. Melson-Williams advised that this was identified as one (1) of the research projects for potential zoning text amendments that the Planning Office needed to put on their list, noting that there are currently others that have higher priority. She noted it was identified several years ago when staff focused on some of the commercial zones, clarifying uses, and some of the bulk standards, and this would be a natural next step to that; however, there was no time frame for this.

The Committee recommended adoption of Proposed Ordinance #2016-18.

By consent agenda, Mr. Neil moved for approval of the Committee's recommendation, seconded by Mr. Hosfelt and carried by a unanimous roll call vote. (The First Reading of the ordinance will take place during the latter part of the meeting.)

Review of Active Recreation Area Plan (Request for Cash-in-Lieu) - The Grande, Building 4: Planned Neighborhood Design - Senior Citizen Housing Option (Planning Reference C-15-04)

Mrs. Dawn Melson-Williams, Principal Planner, advised members that this item was related to the project known as The Grande. She noted that the Active Recreation Area Plan was associated with construction of a fourth building on the north side of Forrest Avenue just to the east of the Modern Maturity Center. Mrs. Melson-Williams stated that three (3) buildings were in place and a fourth building project would soon start. As part of the approval process for this building, the active recreation area was reviewed, and there are requirements for the amount of active recreation area based on the number of dwelling units provided on the site. Mrs. Melson-Williams advised that a number of recreational amenities were constructed previously with the three (3) buildings, including items such as walking paths, horseshoe pits, shuffleboard, a swingset, benches, and picnic tables. The cumulative effect of those amenities still left the applicant with a deficiency in active recreation area for the project. Mrs. Melson-Williams informed members that this was proposed to be satisfied by a cash-in-lieu donation at the time, noting that the Zoning Ordinance specifically outlines how that cash-in-lieu amount is calculated. She stated that, as part of the procedure, the amount, once calculated, must be presented to the Parks, Recreation, and Community Enhancement Committee for confirmation, to City Council, and to the Planning Commission for acceptance. Mrs. Melson-Williams stated that the Planning Office had received the appraisal,

which is the starting point for calculating the cash-in-lieu amount and is based on a land value per acre and the amount of recreation area that is deficient. This resulted in a cash-in-lieu requirement of $22,914. She advised that cash-in-lieu payments for active recreation area are specifically designated for the Parkland Reserve Fund and earmarked for the development of parkland throughout the City. Mrs. Melson-Williams explained that members were being asked to consider accepting that calculation amount. The process going forward would be for Council to consider the Committee's recommendation and then the Planning Commission would consider this amount during their August meeting.

Staff recommended acceptance of the $22,914 cash-in-lieu of recreation area construction donation, as the amount complies with the requirements of the Zoning Ordinance.

The Committee recommended approval of staff's recommendation.

By consent agenda, Mr. Neil moved for approval of the Committee's recommendation, seconded by Mr. Hosfelt and carried by a unanimous roll call vote.

UTILITY COMMITTEE

The Utility Committee meeting was held with Chairman Cole presiding.

Presentation - Stormwater Utility

Mr. Scott Koenig, City Manager, advised that the City of Dover Stormwater Utility Feasibility Study represented close to a year of background work associated with a potential stormwater utility. He indicated that this would be important because it lays out a conceptual foundation for a potential avenue to fund infrastructure and infrastructure repairs going into the future. Mr. Koenig noted that there had been discussions for a long time regarding difficulties with the Municipal Separate Storm Sewer System (MS4) permit, stating that the stormwater utility concept could potentially provide value to the City in the permit over time. He indicated that this would be a very detailed and technical discussion tonight, and the point would be to introduce the concept to Council and address any questions they may have. Mr. Koenig stated that no direct action was needed because this was the first of many discussions that would be held over a 12 to 18 month period if Council wishes to move forward.

Mr. David Athey, URS Corporation/AECOM, reviewed a presentation entitled, "City of Dover Stormwater Utility Feasibility Study." He noted that there would be many details if the intent was to explore some of the issues, develop a framework for what a utility might look like, and start honing in on potential costs. In regard to Slide 2, Mr. Athey explained that a stormwater utility is totally different from existing enterprise funds, since the water, sewer, and electric utilities have meters so that usage can be gauged. Mr. Athey commented that it is impractical to put a meter on

stormwater; therefore, there are various ways that an approximate measure can be done. He stated that members may be asking why there is a fee to handle rain, and explained that rain has been and will be around forever and is natural; however, stormwater is manmade and brings with it a lot of quality issues. In reference to Slide 5, Mr. Athey advised that unmanaged stormwater can do a number of things and can overtax drainage systems, referring to an event that occurred on Water Street two (2) years ago.

Referring to Slide 6, Mr. Athey explained that the main focus of a stormwater utility is that it is a very stable source of revenue. He noted that if there are a couple of northeasters, there is a lot of focus on drainage; however, it is not uncommon for a public body's money for drainage systems to dry up if there is a drought for a couple of years. Mr. Athey stated that a steady, constant investment is needed, and fluctuating investment is not good asset management. He commented that a stormwater utility must be adequate and that there had been approximately a year of effort of really looking at what the City's costs are. Mr. Athey explained that such a utility can be flexible and stormwater rates can be modified depending on changing conditions, as water, sewer, and electric rates can be modified, and it is equitable. He informed members that this idea had been around Delaware for approximately 10 years, going back to former Governor Ruth Ann Minner's task force, which concluded its work in 2006.

In reference to Slide 9, Mr. Athey stated that the costs of National Pollution Discharge Elimination System (NPDES) MS4 permit compliance were not diminishing as permitting requirements increase. He advised that many quantity issues were not currently being addressed. In regard to funding stability, he indicated that this would allow funding for drainage infrastructure to be taken from the General Fund. It would no longer compete with things that are totally different from stormwater, and this would allow for a very focused, detailed, and well understood effort for costs to manage these programs.

Referring to Slide 11, Mr. Athey reviewed the steps that had been taken to date. He informed members that he worked with the City a little more than a year ago on helping to get a grant from the Delaware Department of Natural Resources and Environmental Control (DNREC), which helped to offset half of the costs of the study. There was a detailed investigation into City programs and expenditures and a significant amount of Geographic Information System (GIS) electronic mapping analyses. A complicated spreadsheet model was developed that can be modified to develop different scenarios, and this was used to develop preliminary costs.

In reference to Slide 12, Mr. Athey pointed out that the EFC logo at the bottom right of the slides represented the Environmental Finance Center at the University of Maryland, which was a subcontractor to URS/AECOM. He indicated that they are very good at public outreach materials, which is one (1) of the City's permitting obligations. Mr. Athey stated that EFC made enhancements to the website, came up

with a couple of presentations that were posted, and developed a citizen survey to gauge people's understanding of stormwater issues and recommendations.

In reviewing Slide 13, Enterprise Funds and Rates, Mr. Athey indicated that it is easier to develop assessments for individual properties for the City's Water/Wastewater and Electric Funds because properties can be metered. This cannot be done with stormwater. He noted that this type of work would have been very difficult 20 years ago before electronic mapping and GIS systems came in to vogue and greatly simplified things. Mr. Athey indicated that because stormwater cannot be metered, a surrogate or proxy is needed to estimate how much any property is contributing to the system.

Referring to Slide 14, Mr. Athey explained that there is a very direct correlation between the amount of imperviousness, relating to rooftops, pavement, and gravel on a property, and the amount of run-off. Mr. Athey stated that with aerial photography it is possible to determine, with fairly high accuracy, the amount of impervious surface, and the State of Delaware furnishes this every several years. This information can be overlaid on top of an aerial tax parcel map to determine relatively precisely how many square feet or acres of impervious surface are on a given property. The amount of impervious surface then becomes the proxy.

In response to Mr. Blakeman, Mr. Athey explained that the impervious surface includes the rooftops, paving, driveways, parking lots, sheds, sidewalks and anything that will not let water seep into the ground.

Mr. Neil questioned how wetlands affect stormwater. Responding, Mr. Athey indicated that wetlands are more a receiver than a discharger of stormwater. The desire is to seek to develop a proxy or surrogate for the amount of run-off leaving a property. If a parcel is nothing but wetlands, very little runoff is leaving the property. Mr. Athey noted that if five (5) acres of a 10-acre parcel are developed, it would have much less run-off than a 10-acre parcel that is totally built out.

Mr. Neil commented that his community has 223 homes and a drainage ditch which fills. He was unsure where the drainage ditch goes or how it affects the community.

Mr. Hare questioned if this would be similar to a rain tax and if more would be paid when it rains more. Responding, Mr. Athey indicated that some people refer to it as a rain tax. He explained that more would be paid if there was more runoff from a property, which relates to being equitable. Mr. Athey stated that a lot of municipalities and counties do not have a water and sewer fund, as the City of Dover does, and these jurisdictions pay for stormwater out of their general or sewer funds. For clarification, he advised that a 10-acre parking lot with one (1) office and one (1) bathroom would contribute tons of runoff; however, if sewer revenues were used, they would hardly be paying anything. He noted that a large facility with many bathrooms and other production facilities would pay a different rate. Mr. Athey

explained the desire was for the rate not to be based on the amount it rains but on the amount of stormwater leaving a property.

Mr. Hare commented that if there was no rain for 12 months, there would be no stormwater leaving his property. Responding, Mr. Athey pointed out that there would still be permitting obligations, pipes that fail, and stream banks that are eroded up to the point of the drought. He noted that any utility, whether water, sewer, electric, or stormwater, needs a fairly steady level of investment to be properly managed.

Responding to Mr. Lewis regarding how the fee paid by property owners would be proportional to their impact on the systems, Mr. Athey referred to Slide 14. He indicated that the amount of impervious cover on every parcel in Dover could be measured, estimating that there were approximately 10,800 parcels in the City, approximately 80% of which are single-family lots. Mr. Athey advised that it would be administratively burdensome to measure the imperviousness on each of these lots, noting that they only make up approximately 17% of the total imperviousness in the City. He stated that it takes a lot of time and does not provide much additional information. Conversely, he indicated that non-residential uses, such as commercial lots and lots on the Route 13 corridor are predominantly larger lots with a lot of imperviousness; therefore, it would be worth the time and effort to calculate the square footage on each of those lots. Mr. Athey stated that what is commonly done in single-family uses is to use tiers.

In reference to Slide 15, Mr. Athey explained that an Equivalent Runoff Unit (ERU) was developed that is an average amount of imperviousness on smaller-zoned parcels. A commercial facility that is 40 times that area would have 40 ERUs, and this would address the equity issue.

Responding to Mr. Blakeman, Mr. Athey explained that the schematic on Slide 15 depicted a house, driveway, and a sidewalk. He stated that the surface area that water will run off would be measured. Mr. Athey indicated that there are ratios, development intents, and other ways to do this; however, he chose a more simplistic route. He advised that purely the amount of imperviousness was considered, and the amount of imperviousness does not change whether it is on a 10-acre or a one (1) acre parcel.

Mr. Athey informed members that through a fairly time-consuming exercise, working with Mrs. Ann Marie Townshend, Director of Planning and Community Development, and the Public Works Department staff, a detailed analysis and GIS mapping were developed to determine the amount of imperviousness on residential parcels and then aggregated and averaged. Referring to Slide 16, he explained that the RG-1, RG-2, RG-3, and RM-1 zoning districts had an average imperviousness in the general area of 2,200 square feet. The RM-2, R-7, and R-8 zoning districts averaged to 3,060 square feet or 1.4 ERUs. Larger lots in the R-10, R-15, and R-20 were approximately 4,850 square feet or over two (2) times the base ERU rate.

Mr. Blakeman noted that there were would have been many parcels larger than 2,200 square feet and many smaller to reach an average of 2,200 feet. Mr. Athey stated that parcel size fluctuated; however, there was a break where none were averaging until close to the 3,000 square foot level, when the next zoning district began. He advised that the idea was to balance administrative efficiency with equity, explaining that it would be possible to continue to measure each parcel in the City; however, it would be very time consuming. In addition, if someone were to put an addition on their home in the future or do additional paving, it would be necessary to account for this change, which would become an administrative burden in future years. Mr. Athey noted that this would be a policy discussion.

Mr. Blakeman expressed concern about some of the smaller homeowners being lumped into the group. In addition, he noted that owners of larger properties would be penalized less than others. He indicated that he would like to get a feel for how much inequity there would be in the process. Responding, Mr. Athey indicated that they could obtain this information, reiterating that this would be a policy discussion. He advised that some of the 1,500 or so stormwater utilities across the country measure each and every lot and that there is no wrong answer.

Mr. Anderson asked if there was information regarding the median figures, where half the properties would fall above and half below, to compare with the average figures. In response, Mr. Athey stated that he did not have this information but this could easily be done.

Referring to Slide 17, Mr. Athey pointed out that single-family residential lots, which comprised approximately 80% of the total parcels, accounted for only 16% of the overall land. He noted that most of the City is commercial land and that Dover Air Force Base is huge. In reference to Slide 18, Mr. Athey advised that it is not uncommon for tax-exempt entities to challenge a stormwater utility legally on the basis that they are property tax exempt. He informed members that case law is pretty consistently solid behind tax-exempt entities paying into the stormwater utility, just as they may pay a water, sewer, or electric bill, assuming that all of the i's are dotted and all revenues received from the utility are being used for stormwater issues. Mr. Athey indicated that for this study, in coordination with the City of Dover Public Works and Planning staff, it was decided that Dover Air Force Base would be considered an anomaly because the Base is truly a city in and of itself. He noted that the Base has its own systems and maintenance people, even though it is a large percentage of overall imperviousness in the City, and this would be a policy question. Other than the Base, it was assumed that all of the square footage would have an associated fee.

Ms. Arndt asked if tax exempt properties would pay into the stormwater fund. Responding, Mr. Athey explained that this was also a policy question that the City would have to address. His personal opinion was yes, and he advised that case law in general supports this; however, this did not mean that every entity that has stormwater utilities had not carved out some uses in public policy.

In reference to Slide 19, Mr. Athey indicated that existing levels of service were determined to set a benchmark. It was estimated that there were at least 27 employees that spend at least 80% of their time doing stormwater-related work, and he believed that this cost was estimated at approximately $700,000. Mr. Athey stated there were many vehicles and some capital projects, noting that the City had discussed the Tar Ditch project for some time. Referring to Slide 20, Mr. Athey noted that the Public Works staff maintains a number of stormwater-related structures and facilities.

Referring to Slides 21 - 23, Mr. Athey stated that the permitting requirements were not decreasing; therefore, additional expenditures were anticipated. He explained the features of achieving the compliance and optimum levels of services. Mr. Athey noted that the optimum level would include ongoing maintenance of privately-owned stormwater management structures. He indicated that various other programs could be put into place to have a more gold-plated program. This would include funding for proposed future capital projects.

In reference to Slide 24, Preliminary Rates and Credits, Mr. Athey stressed that a lot of assumptions were made and the data was not perfect. He reviewed the estimated rates and credits for the existing program, compliance level of service, and optimum level of service, stating that the compliance level of service included additional expenditures to pay for various MS4-related programs. The optimum level would include the capital program needs and had a significantly higher rate. Mr. Athey stated that many facilities have stormwater structures on site, such as ponds and more modern controls such as bioswales. He stated that the argument is often made that if a property has some sort of stormwater control or if a subdivision has all the lots drained to a stormwater control, they should receive some sort of credit, and this should also apply to commercial properties. Mr. Athey advised that a policy decision would have to be made in this regard. He noted that a 33% credit was assumed and that there are many different ways to assign credits; however, in the interest of feasibility, it was decided to keep this fairly simple.

In regard to Slide 25, Mr. Athey indicated that a number of policy questions would need to be raised, such as the exemption for Dover Air Force Base. He noted that an impervious cover cap was set at two (2) million square feet. Mr. Athey advised that only nine (9) or ten (10) properties in Dover were larger than this size. He stated that the racetrack, which is in two (2) parcels, fits into that category, which would artificially lower their fee, and whether or how this would be handled would be a policy question. Mr. Athey had also assumed certain escalation rates for all the City's expenditures. He reiterated that the mapping was not perfect, noting if there were a second phase to this, there would need to be a little more specificity. Mr. Athey informed members that Dover is fairly complicated from a planning standpoint in that single-family uses are allowed in multi-family districts and, to some degree, vice versa. Certain assumptions were made regarding how many single-family uses were in multi-family zones, which he had termed a "filter." Mr. Athey stated that this was a little arbitrary, but he felt it was fairly close. If a

point was reached where a defendable fee was needed, he felt this would have to be looked at more closely.

In regard to Slide 26, Mr. Athey indicated that the fee structure would relate to the ERUs, the type of use, and then various credits. Referring to Slide 27, Fee Examples - Single-Family Residential Lot, Mr. Athey explained that the tier rate for Tier 1 would be the same as the base rate because this is the base. If there were a credit for a stormwater control, it would be 33% of the fee. He noted that, in this case, if the compliance level rate was $3.25 per ERU, with the credit the rate would be reduced to approximately $2.17. Mr. Athey reviewed the fee examples for Tier 2 and Tier 3 properties on Slides 28 and 29.

Ms. Arndt noted that there may be a large house, with more impervious surface, on a large lot, with more pervious surface for the water to run off and dissipate and, therefore, less stormwater issues for the City. Referring to the examples, she felt that a larger house with a larger lot should be paying less than a larger home on a small lot since there would be more runoff. Responding, Mr. Athey stated that some places enact a development intensity factor or ratio to reflect this point. He noted that 5,000 square feet of imperviousness on a one (1) acre lot would have more runoff than on a 10-acre lot. Mr. Athey indicated that this is a policy question, noting that it would be more complicated and difficult to explain but is doable, and some people do it. He reiterated that, in the interest of a feasibility study, it was chosen to keep it fairly simple.

Ms. Arndt suggested looking at the possibility of having a credit if the impervious surface was 5% or 10% of the lot to account for the runoff on the property. In response, Mr. Athey advised that a previous client had asked them to consider soil types, which is another complicating factor.

Mr. Athey reviewed Slide 30, Fee Examples - Commercial, explaining the credits for stormwater controls.

Mr. Blakeman stated that pervious concrete had been developed in response to the problems in New Orleans. He explained that water percolates down through pervious concrete, and since it is not runoff, owners do not have to pay.

Mayor Christiansen expressed his opinion that, if this system is implemented, funds should be specifically dedicated to infrastructure, where it was supposed to go, rather than to other General Fund issues, and that doing anything else would be totally unconscionable. He stated that he had seen what had been done with transfer taxes and other things that were supposed to be dedicated to specific budget items that suddenly became part and parcel of the General Fund or other issues that they were not dedicated to. Noting that he does not have a vote in this matter, Mayor Christiansen insisted that the money be lockboxed from Council spending for anything other than a deemed emergency. Mr. Athey agreed with

Mayor Christiansen, noting that the City could open itself up to legal challenges by not doing this.

Mr. Lewis felt the question was whether this system was needed. Mr. Athey responded that that would be a budget discussion. He indicated that, in working with Public Works and the Planning Departments, expenditures of approximately $1.3M or $1.4M per year had been identified, stating that he could get the exact number. Mr. Athey advised that compliance for MS4 would add a couple hundred thousand dollars to this. In addition, he was unsure how capital projects estimated at several million dollars would be paid for.

Mr. Anderson stated that much of this was now being paid by the Wastewater Fund and questioned if this fund would be lowered, if funds would credited to people, or if people would be double charged. Responding, Mr. Koenig advised that existing expenses are General Fund expenses and not Water or Wastewater Fund expenses. He indicated that the requirements were for the City to get to a compliance level of expenditures, whether through the General Fund or an alternative financing mechanism. The stormwater utility would be an alternative funding mechanism that would lay out financing for a public improvement among all contributing properties. Mr. Koenig stated that there would not be cutouts for properties, noting that the equity issue would have to be addressed. Mr. Koenig indicated that if the City does not identify alternative funding mechanisms, there would be a need to look at general obligation bond debt for large projects, such as the Tar Ditch, or the tax rate. He explained that the general obligation bond rate and General Fund expenses related to MS4 would be paid off by tax revenues or some other fee that is feeding the General Fund. Mr. Koenig stated that this alternative financing mechanism could be called a rain tax, a development tax, or a number of things, but its purpose would be to obtain equity in addressing an infrastructure issue that everyone has in common. Mr. Koenig did not believe that the fees mentioned, such as $5 a month or $7 per residential house were unreasonable to address infrastructure; however, he noted that the fees in regard to large commercial or industrial properties get very high. He advised members that the message being proposed was not that it was being proposed to hit Dover Downs with a rain tax of an unidentified number of thousands of dollars, it was whether members were interested in alternative financing solutions that were being used in some areas of the country, or if they wish to determine that these are General Fund issues and that the City must accommodate bond issues or additional tax increases as the financing mechanism.

Mr. Anderson questioned why this would necessarily be a General Fund issue as opposed to a Water/Wastewater issue when it comes to infrastructure like the Tar Ditch. Responding, Mr. Koenig advised that expenses of the water/wastewater utility are all dedicated to a specific, recognized enterprise utility with a certificate to serve. He noted that this matter is a little different in that it is very difficult to get an accurate measurement; therefore a measurement must be estimated. Mr. Koenig stated that the amount of water used by a water utility customer is based on how their faucet is turned on, is very definable, and is read and billed every month; however,

stormwater utility billing is based on estimates. He noted that rainfall is not homogeneous across the City, and the calculations made to obtain the estimated impervious area, unless done parcel by parcel, are estimated or averaged. There is a certain margin of inequity that people can claim, depending on the public policy decisions that are made, and the City would have to be able to defend this. He indicated that assigning ERUs to zoning categories is defendable by running through the calculations.

In regard to stormwater designs and controls, Mr. Koenig advised that the question becomes how detailed a stormwater utility is desired and whether it should include grass mowing around stormwater ponds, or if this would still be a General Fund expense. He questioned if it would get into the public outreach costs, or if the utility would only be related to the capital infrastructure engineering and construction. Mr. Koenig stated that this would depend upon how much weight is desired to put on the stormwater utility to carry the burden of all of the MS4 permitting and the infrastructure that is associated with the handling of stormwater. Mr. Koenig noted that when it is not raining, there are no problems with stormwater, but when it starts raining, there are flooding problems, and undersized pipe, so future financing mechanisms will be needed for the major costs to resolve these problems.

Mr. Anderson questioned if a reduction in property taxes would be proposed if the stormwater utility were implemented, since items would be pulled from the General Fund. Responding, Mr. Koenig advised that although the current presentation did not address this, he felt that there should be some equalization. If $1M in expenses was pulled from the General Fund, he felt it would seem reasonable to reduce the General Fund burden by $1M and the tax rate could be recalculated, everything else being equal.

Mr. Neil questioned how Kent County Conservation District fits into this. In response, Mr. Koenig indicated that when a development comes in, development application fees are paid to the Conservation District related to design, review, and construction. If the utility were created, he felt there would be less burden on the Conservation District in the long run because the City would have a better mechanism to control maintenance on stormwater management facilities. Mr. Koenig stated that currently if a homeowners' association has a pond that they are not maintaining, there is a routing through the Conservation District. If this utility were created, he assumed that additional legal authority would be given to the City to compel those types of maintenance to be done very quickly by the homeowners' association, or the City would be able to step in under the utility and create those improvements. Mr. Koenig informed members that Council had approved resolutions for several subdivisions that had entered into the Kent County maintenance district. The City put a caveat in those resolutions saying that the City had no objections to those subdivisions entering into the County maintenance district if they chose to. If the City creates a stormwater utility, Mr. Koenig believed that the City would want to ensure that those properties revert out of the County district and into the City's utility so that everyone is on the same footing. Mr. Koenig advised

that as the City gets bigger and has a utility 15-30 years down the road, the City would be on better footing if it had its own approval process. The City would assume the Conservation District duties of being able to review plans, etc.

Mr. Koenig stated that downtown redevelopment is very difficult for the City because there is no way to trade stormwater, and stormwater created on one (1) property cannot be moved to another property for treatment. He indicated that utility planning tends to encourage regional or multi-property addressing of stormwater management because there is an umbrella government entity that can help facilitate this issue. Mr. Koenig noted that a couple of developments in the area were sharing ponds, and this seemed to be working. It was unknown what would happen in the future if parties cannot agree on what needs to be done. He advised that if the utility were created, there is potential that the City, at some point, would want to take over the types of functions currently performed by the Conservation District. Mr. Koenig advised that the City is in partnership with the Conservation District, which is part of the City's MS4 permit, so there is no intent to do this immediately, since it would be necessary for the City to add staff. If the utility were set up, Council could make a better argument to the State saying that the City would like to control its own destiny with development and hire staff to address those issues. Without the utility, Mr. Koenig did not believe the City would have a very strong case to become a delegated agency at the State because of the way the system currently works. He advised that the utility was not being proposed under any circumstances so that the City can become a delegated agency, but this is something that could happen in the future if the circumstances are correct.

Mr. Hutchison asked if Mr. Athey had looked at the stormwater utilities in Lewes and Wilmington. Responding, Mr. Athey explained that he had helped to set up the utility in Lewes. He was not as familiar with Wilmington's utility, which was enacted 10 years ago; however, he noted that Wilmington has a combined sewer, with sanitary and stormwater in the same line, and has enormous permitting problems that they must address. Mr. Athey advised that Lewes had kept their rate low. He did not believe they were funding capital projects from it but that it was purely for operational recovery. Mr. Hutchison asked Mr. Athey to go to Wilmington to look at this specifically. He noted that the City of Dover has a larger land mass than the City of Wilmington, and he felt it would be interesting to look at their project, the cost, and how it has impacted them and return with a recommendation. Mr. Athey stated that he could do this; however, he felt it would be an apples and oranges comparison because Wilmington spent tens of millions of dollars on an enormous storage tunnel to store their combined sewage. He noted that Dover does not have those issues to deal with. Mr. Athey indicated that he would be more than happy to develop a summary of some of the things that Wilmington was doing.

Mr. Blakeman stated that the City of Dover owns the streets and questioned if the City would be charged a fee for stormwater control. Mr. Athey explained that this had been debated, noting that the Delaware Department of Transportation (DelDOT) owns some of streets as well. He stated that enacting a fee for DelDOT would not

be easy to do and noted that DelDOT maintains a lot of their storm drainage infrastructure. Mr. Athey indicated that everyone was not on the same page as far as who should be maintaining what. In regard to City streets, he indicated that this would involve one (1) department writing a check to another and felt that this did not seem worth it.

Ms. Arndt noted that a survey of residents had been referenced earlier in the presentation and questioned how many residents were surveyed and what their responses were. Responding, Mr. Athey indicated that the EFC did this survey, stating his belief that there were approximately 70 - 80 responses and a summary was compiled. He offered to make this available.

Mr. Hare moved for acceptance of the Council Committee of the Whole Report. The motion was seconded by Mr. Sudler and unanimously carried.

QUARTERLY REVENUE REPORT (PRELIMINARY-UNAUDITED)

Members were provided the Quarterly Revenue Report (Preliminary-Unaudited) as of June 30, 2016.

Staff recommended acceptance of the report.

By consent agenda, Mr. Neil moved for acceptance of the Quarterly Revenue Report (Preliminary-Unaudited) as of June 30, 2016. The motion was seconded by Mr. Hosfelt and carried by a unanimous roll call vote.

COUNCIL APPOINTMENT - COMPENSATION COMMISSION - JEAN TAYLOR - TWO (2) YEAR TERM TO EXPIRE MAY 14, 2018 (Deferred during the Annual Meeting of May 9, 2016)

Councilman Hare recommended the appointment of Mrs. Jean Taylor to serve on the Compensation Commission for a two-year term to expire May 14, 2018, to fill the expired term of Louise Webb.

By consent agenda, Mr. Neil moved for approval of the appointment of Mrs. Taylor, as recommended by Councilman Hare. The motion was seconded by Mr. Hosfelt and carried by a unanimous roll call vote.

APPOINTMENTS/REAPPOINTMENTS - RECOMMENDED BY MAYOR CHRISTIANSEN - HISTORIC DISTRICT COMMISSION - THREE (3) YEAR TERMS TO EXPIRE JULY 26, 2019

Mayor Christiansen requested the following appointments/reappointments to the Historic District Commission for three-year terms to expire July 26, 2019:

Eric S. Czerwinski, Professional (To fill the expired term of Charles A. Salkin)
Richard Scrafford, Professional

By consent agenda, Mr. Neil moved for approval of the appointments/reappointments to the Historic District Commission, as recommended by Mayor Christiansen, seconded by Mr. Hosfelt and carried by a unanimous roll call vote.

FIRST READING - PROPOSED ORDINANCE #2016-18

Council President Slavin reminded the public that copies of the proposed ordinance were available at the entrance of the Council Chambers, on the City's website at www.cityofdover.com under "Government," or by contacting the City Clerk's Office at 736-7008 or cityclerk@dover.de.us. Since the ordinance amends the Zoning Code, a public hearing is required. Staff recommended referral of the amendment to the Planning Commission on August 15, 2016 and that a public hearing be set for September 12, 2016 at 7:30 p.m., at which time final action by Council will take place.

Mrs. Ann Marie Townshend, Director of Planning and Community Development, informed members that this is a Council-sponsored ordinance that would amend the Corridor Overlay Zone, which includes properties along Route 8, west of the railroad tracks, as well as properties on Saulsbury and McKee Roads. She stated that currently no building can exceed 35 feet, or two (2) stories within those areas. Mrs. Townshend explained that the proposed amendment would keep the 35-foot, two-story restriction for the first 100 feet from the property line, and then allow for the zoning district height to be applied beyond the first 100 feet. This will keep the buildings lower closer to the road, but allow for height beyond 100 feet from the property line.

Mr. Hare moved to refer the amendments and set a public hearing before City Council for September 12, 2016 at 7:30 p.m., as recommended by staff. The motion was seconded by Mr. Neil and carried with Mr. Lewis voting no.

In accordance with Section 1-9 of the Dover Code, Council acknowledged the First Reading of the Zoning Ordinance Amendments as read by the City Clerk, by title only, as follows:

> PROPOSED ORDINANCE #2016-18 AMENDING APPENDIX B - ZONING, ARTICLE 3 - DISTRICT REGULATIONS, SECTION 27 - CORRIDOR OVERLAY ZONE 1 (COZ-1), SUBSECTION 27.66 - BUILDING HEIGHT
>
> *(Parks, Recreation, and Community Enhancement Committee)*

UPDATE ON PROPERTY TAX BILLING ISSUE

Mr. Anderson informed members that he had received some complaints regarding the 30-day notice that traditionally happens for tax billing. He reminded members that some of the bills for the property taxes went out later than normal because of problems with some of the multi-unit taxes. Mr. Anderson explained that, now that people are receiving their tax bills, he has received complaints that they need the 30 days, particularly since the taxes are a little bit higher. He stated that these individuals want a month to adjust, rather than receiving the bill and having a couple of weeks to pay it while other people have received their bills and with proper notice. Mr. Anderson indicated that the mortgage companies and big banks had plenty of notice; however, a few thousand people were being overlooked. He requested that the City provide a couple weeks' extension for the people who received their bills late, so that they would have the same fairness as everyone else.

Mr. Anderson moved that the people who received their property tax bills late receive 30 days to pay their property taxes, seconded by Mr. Sudler.

Responding to Mr. Hare, Mr. Anderson clarified that these individuals would have 30 days from the date they received their bill, explaining that instead of their bills being due August 1, 2016, they would be due August 15, 2016.

Mrs. Cheryl Bundek, City Assessor, advised that staff was currently aware of approximately 159 properties that were affected and asked if it would be possible to do this on a case-by-case basis as individuals call or come in. She explained that she could not just pick and choose which properties to provide the 30-day extension to, noting that some of them had paid. Mrs. Bundek stated that staff would be able to keep track much easier if they are able to take care of this as individuals call or come in and explain that they had a multiple billing issue. In response, Mr. Anderson stated that there is definitely a list of people who received their bills late. He indicated that some of these individuals will pay because it is not an issue, and for those who are late, staff would know when they come in late.

Mr. Slavin asked what the effect on the City's cash flow would be if Council were to provide a 30-day extension to all tax payers. Responding, Mrs. Donna Mitchell, Controller/Treasurer, believed that the City's cash flow would be okay with an extension to August 15, 2016, since it would only be two (2) weeks. Mr. Slavin asked what the effect would be if Council provided an extension to allow all tax bills to be due by August 31, 2016. In response, Mrs. Mitchell stated that the City's cash flow would be okay, explaining that staff might have to do a temporary advance from the Electric Fund for a couple of weeks, which is occasionally done when there is low cash flow. She noted that this would be the worst-case scenario, as she believed the General Fund would still be okay.

Responding to Mr. Slavin, Mrs. Mitchell confirmed that approximately 93% of the taxpayers pay within the first 30 days. She explained that the budget balance of approximately 8% equates to one (1) month, which provides the cash flow needed to make it through until property taxes are received.

Mr. Slavin asked if Mr. Anderson and Mr. Sudler would consider withdrawing the current motion and introducing a motion to simply extend the tax deadline to August 31, 2016 for all taxpayers.

Mr. Anderson noted that the banks are going to pay since this is already in the process.

The motion that the people who received their property tax bills late receive 30 days to pay their property taxes was withdrawn.

Mr. Anderson moved to extend the tax collection deadline to August 31, 2016 for all taxpayers. The motion was seconded by Mr. Sudler and carried by a unanimous roll call vote.

CITY MANAGER'S ANNOUNCEMENTS

Mr. Scott Koenig, City Manager, stated that, with the extreme heat being experienced recently, the electric and water systems are under heavy demands. He thought that both systems had performed very well and expected that to continue.

Mr. Koenig stated that his thoughts were with the numerous City employees, across all departments, who are out in the heat. He indicated that, the last time he checked the weather forecast, at least another 15 days of heat was expected. Mr. Koenig thanked staff for their efforts to run the utility systems and to continue to provide service in the significant heat that the City is experiencing.

Mr. Slavin noted that it occurred to him, as he came in this evening, that if the City were in the middle of a snow storm or about to have a snow storm, dire warnings would be sent out regarding the severe weather. He explained that this is just as serious but a much different version of severe weather, and it is one that requires us to carry on. Mr. Slavin stated that Council would keep in mind all of the workers that are outside during this time.

COUNCIL MEMBERS' ANNOUNCEMENTS

Mr. Slavin extended early wishes for a happy birthday to Councilman Anderson, whose birthday is July 29th.

Mr. Hare stated that he attended the Fourth District Empowerment Barbecue Fair, hosted by Councilman Sudler at Mishoe Park on July 16, 2016. He noted that it was well attended and complimented Councilman Sudler's ribs.

Mr. Sudler announced that Mt. Zion AME Church, located on Queen and Fulton Streets, would be hosting its Annual Back to School and Community Fair on Saturday, August 13, 2016 from 11:00 a.m. until 2:00 p.m. He stated that Dr. Wilma Mishoe of Mt. Zion AME Church had invited the Mayor and members of Council to participate in the event by serving as celebrity chefs, helping to cook and serve their constituents hot dogs and hamburgers.

Mr. Sudler thanked Councilmen Hare and Hutchison, State Representative Sean Lynn, Kent County Commissioner Brad Eaby, Mr. Greg Fuller, and all of the individuals who participated in his Fourth District Empowerment Barbecue Fair for coming out and making the event such a nice gathering.

Mr. Anderson stated that citizens had made inquiries regarding ShotSpotter and reminded everyone that Viability of the ShotSpotter Gunshot Detection and Location Service was scheduled for discussion during the Council Committee of the Whole/Safety Advisory and Transportation Committee scheduled for tomorrow evening, Tuesday, July 26, 2016 at 6:00 p.m. He invited the public to attend the meeting to gain an understanding of this service and how it may or may not fit in with Dover at this time.

Mr. Anderson announced that he would be celebrating his 19th wedding anniversary on July 26, 2016 and thanked his wife for 19 great years.

Mr. Neil moved for adjournment, seconded by Mr. Anderson and unanimously carried.

Meeting adjourned at 8:08 p.m.

TRACI A. McDOWELL
CITY CLERK

All ordinances, resolutions, motions, and orders adopted by City Council during their Regular Meeting of July 25, 2016, are hereby approved.

ROBIN R. CHRISTIANSEN
MAYOR

/TM
S:\AGENDAS-MINUTES-PACKETS-PRESENTATIONS-ATT&EXH\Council-Minutes\2016\07-25-2016 CORRECTED.wpd

Exhibits
Exhibit #1 - Presentation - "Dover Comic Con 2016"

EXHIBIT #1
City Council Meeting of 07/25/2016



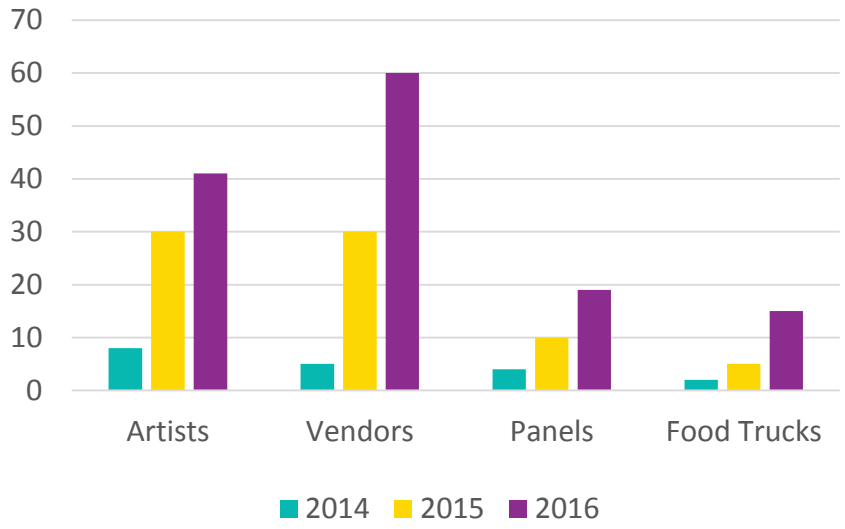
DOVER COMIC CON 2016

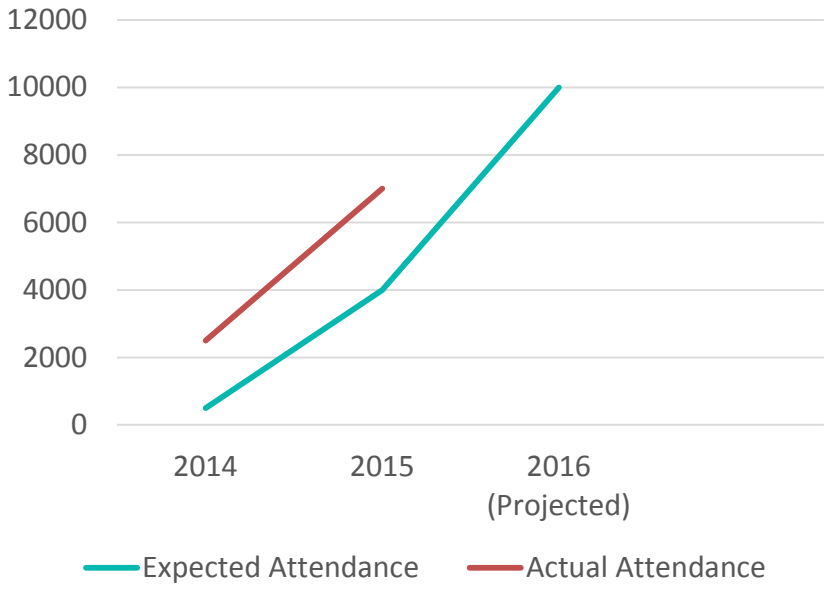


DOVER COMIC CON2016

Dover Comic Con Growth

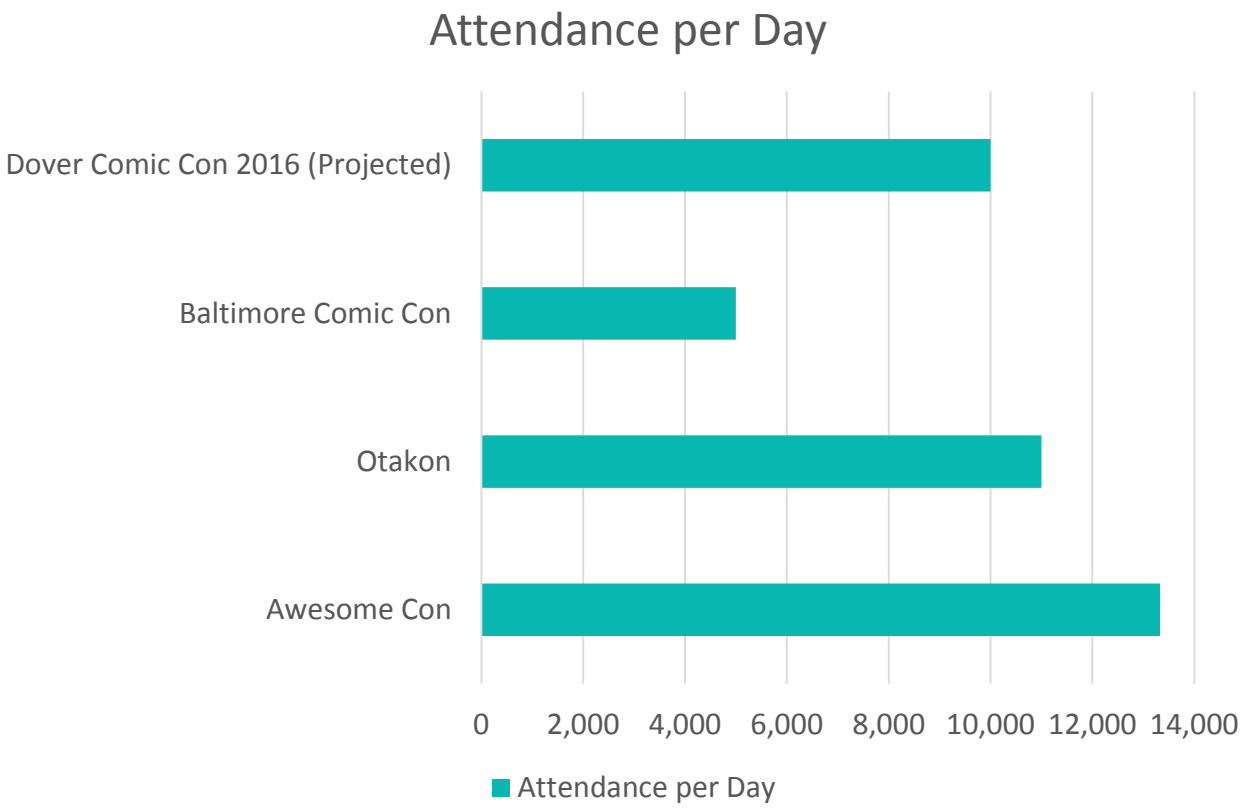
2014-2016





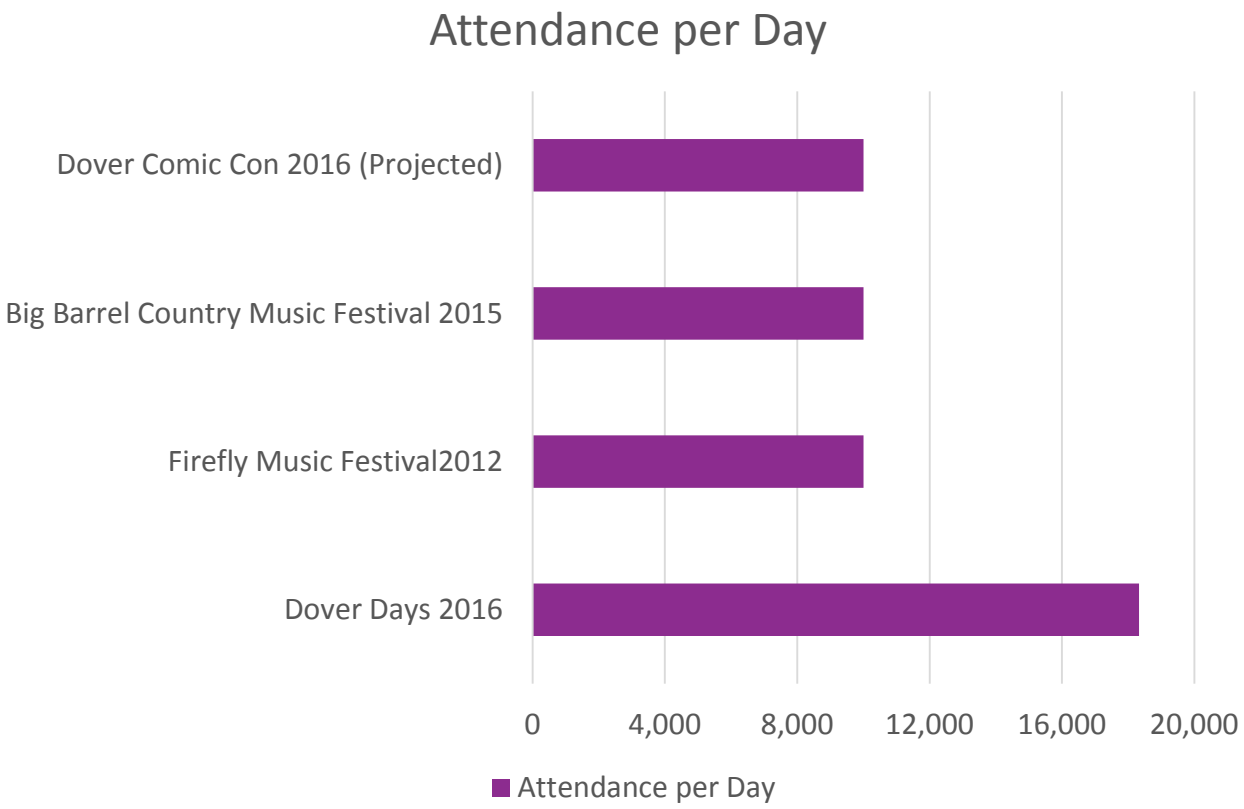
DOVER COMIC CON2016

Other Comic Conventions



DOVER COMIC CON2016

Other Dover Events



The above video is a Public Service Announcement prepared by WBOC



DOVER COMIC CON2016