

The Commissioners of St. Michaels

**Special Legislative Session
and Public Working Session**

May 12, 2010

Present:

Commissioners Michael Brady, Joanne Clark, Robert Snyder, Donna Hunt, Philip Dinkel, Town Manager Cheril Thomas, Administrative Clerk Sabrenia Yohn, Codes Enforcement Officer Deborah Renshaw and approximately 28 members of the public.

Call to Order:

President Brady called to order the public working session at 5:00 p.m. in the meeting room of the Edgar M. Bosley, Jr. Municipal Building (Town Office), 300 Mill Street, St. Michaels, Maryland. The Pledge of Allegiance was recited.

Announcement of Closed Session:

President Brady announced that on May 6, 2010 at 1:00 p.m. pursuant to Maryland Code, State Government Art., § 10-508 (a) (1) (ii) and (8) - the Commissioners met in closed session to discuss personnel matters related to a specific employee; legal matters related to Ordinance 415 – Miles Point TND Map Amendments; legal matters related to provisions of Ordinance 417 – Stormwater Management Ordinance; and legal matters related to *Davis H. Wood v. Commissioners of St. Michaels, Maryland*.

Public Hearings:

- **Resolution 2010-05** - A RESOLUTION OF THE COMMISSIONERS OF ST. MICHAELS TO AMEND THE BUDGET FOR FISCAL YEAR 2010, AS AMENDED ON OCTOBER 28, 2009.

President Brady opened the public hearing on Resolution 2010-05. Mrs. Yohn provided the public hearing sign-in sheets at President Brady's request, and read the title of Resolution 2010-05 and exhibits into the record as follows:

1. Notices of the public hearing scheduled for May 12, 2010 as published in the *Star Democrat* on April 26, 2010 and May 3, 2010.
2. Resolution 2010-05 and Appendix A to Resolution 2010-05
3. Notice of the Public Hearing on May 12, 2010 which was posted on the bulletin board in the Town Office.

Mrs. Thomas provided an overview of the Resolution stating that the amendments noted therein cover shortfalls in the water budget, including a decrease in revenues from the sale of water, legal review of contracts related to the arsenic removal system, and lower returns on some investments. Mrs. Thomas said the net change to the budget will be \$7,900.00. There were no comments from the Commissioners or the public. President Brady then closed the public hearing on Resolution 2010-05 and directed staff to prepare the resolution for a vote on May 26, 2010.

- **Resolution 2010-06** - RESOLUTION 2010-06 - A RESOLUTION OF THE COMMISSIONERS OF ST. MICHAELS TO ADOPT THE BUDGET FOR FY 2011; TO SET THE TAX RATE FOR REAL PROPERTY AT SIXTY-FOUR CENTS (\$.64) PER

ONE HUNDRED DOLLARS (\$100) OF ASSESSED VALUE; TO SET THE TAX RATE FOR PERSONAL PROPERTY AND CORPORATIONS AT SIXTY-FIVE (\$.65) FOR ONE HUNDRED DOLLARS (\$100) OF ASSESSED VALUE AND TO SET THE TAX RATE FOR PERSONAL PROPERTY OF PUBLIC UTILITIES AT ONE DOLLAR AND SIXTY CENTS (\$1.60) PER ONE HUNDRED DOLLARS (\$100) OF ASSESSED VALUE

President Brady opened the public hearing on Resolution 2010-06. Mrs. Yohn provided President Brady with the sign-in sheets and read the title of Resolution 2010-06 and exhibits into the record as follows:

1. Notices of the public hearing scheduled for May 12, 2010 as published in the *Star Democrat* on April 26, 2010 and May 3, 2010.
2. Resolution 2010-06 and Appendix A to Resolution 2010-06
3. Notice of the Public Hearing on May 12, 2010 which was posted on the bulletin board in the Town Office.

Mrs. Thomas provided an overview of the budget to date. President Brady said the Commissioners had taken a second look at donations to outside agencies and, at the suggestion of a member of the public, the Commissioners are now considering a "value added" component to donations. President Brady announced that the library had agreed to provide the Town with six meeting nights in the library's meeting room without charge. President Brady also proposed that the Tourism Board's donation be increased by the amount that would be repaid to the Town from Associated Investor's block grant loan of approximately \$10,000. The Commissioners were in consensus to support the proposal. President Brady then directed staff to make the budget change that would increase the Tourism budget to \$125,396.00.

President Brady then took comments from the public. Ted Doyle of Perry Cabin Drive emphasized that he was representing the Talbot County Taxpayers Association as President of that organization. Mr. Doyle said the proposed tax rate for St. Michaels was reasonable and should not be reduced given the reduced property assessments expected in the next few months. Mr. Doyle also made statements in support of the police department and fire department. John Marrah of Riverview Terrace thanked Commissioner Brady for supporting the Tourism Board and asked about payments from Choptank. Mrs. Thomas said those funds are encumbered and go directly to savings and cannot be used for operating expenses. Mrs. Thomas also answered a question from Ann Borders of Cherry Street regarding the bond payment.

President Brady asked if the Commissioners had any comments. Commissioner Clark proposed cutting \$30,000 from the legal budget reducing it from \$180,000 to \$150,000, as well as cutting legal expenses for zoning by \$6,000. Commissioners Hunt and Brady agreed with the cut in legal expenses as proposed by Commissioner Clark. Mike Vlahovich of 129 Miles Avenue said this is a time of emergency and proposed that the Commissioners consider tapping into the utility funds. Mrs. Thomas said using those funds for anything other than capital projects would require an amendment to the Town's charter. Commissioner Snyder noted that the greatest portion of the business taxes are paid by four or five businesses - Verizon, Choptank, Inn at Perry Cabin, Harbor Inn and Marina, and Delmarva Power, and the remainder of businesses in town pay an average of about \$200.00 a year. Barbara Svenson, of the Old Brick Inn, asked why the Town would not consider cutting administrative staff when she had heard there were 24 people working in the Town Office.

Following additional public comments regarding the homestead tax credit, inventory tax, and parking meters, President Brady directed staff to prepare the resolution, including a conditional increase to the Tourism Board contingent on the repayment of loan by Associated Investors, reducing the administrative legal fund by \$24,000.00, and the zoning fund by \$6,000.00, and to put that \$30,000.00 toward reduction of funding to come from prior year reserves. President Brady then closed the public hearing on Resolution 2010-06, noting that it would be eligible for a vote on May 26, 2010.

Consent Agenda:

President Brady announced that the Consent Agenda included departmental reports for the month of April, 2010 with total disbursements noted in the amount of \$530,183.24, which included \$359,987.16 for capital projects and engineering, and \$1,060.04 was reimbursable legal costs. As there were no comments on the Consent Agenda from the public or the Commissioners, President Brady called for a motion to accept the Consent Agenda as presented. Commissioner Clark made the motion, as stated by President Brady. Commissioner Hunt seconded the motion which passed on a roll call vote of 5-0 in favor.

Contract Awards:

- Bid Award for Banking Services. Mrs. Yohn announced that on April 23, 2010, the Town of St. Michaels received two (2) bids for banking services as follows:
 1. The Talbot Bank, 18 East Dover Street, Easton, MD 21601
 2. PNC Bank, 213 Talbot Street, St. Michaels, MD 21663

Commissioner Snyder noted that the Town had grown and now had more sophisticated financial needs than in earlier years and as a result, the Commissioners had decided to go out for bid for banking services. Commissioner Snyder said that he and Town staff had reviewed the bids and determined that PNC had the level of service that can handle the Town's finances. Commissioner Snyder said the new contract included additional benefits and would be a renewable 12-month, rather than a 2-year contract to provide more flexibility for the new Commission. President Brady called for a motion to award the bid to PNC Bank, and that the contract would be a 12-month renewable contract. Commissioner Snyder made the motion as stated by President Brady. Commissioner Hunt seconded the motion which passed on a roll call vote of 5-0 in favor.

President Brady then called for a motion to move into Special Legislative Session. Commissioner Clark made the motion. Commissioner Snyder seconded the motion which passed on a roll call vote of 5-0 in favor.

Items Eligible for a Vote

- Tax Rate for Fiscal Year 2011
President Brady called for a motion to notify Talbot County to set the St. Michaels Tax Rate at \$.64 per \$100.00 dollars of assessed value. Commissioner Snyder made the motion, as stated by President Brady. Commissioner Dinkel seconded the motion which passed on a roll call vote of 5-0 in favor.

Items for Discussion/Possible Introduction

- **Ordinance 416** - AN ORDINANCE OF THE COMMISSIONERS OF ST. MICHAELS AMENDING THE CODE OF THE TOWN OF ST. MICHAELS, CHAPTER 340 (ZONING), ARTICLE I (ZONING MAPS AND BOUNDARIES), §340-1 (OFFICIAL ZONING MAP) TO DELETE AN EDITOR'S NOTE, TO REPLACE A REFERENCE TO

“ZONING ORDINANCE OF THE SECTION 1” WITH “CHAPTER 340 OF THE CODE,” AND TO CORRECT A REFERENCE TO A CODE SECTION; AMENDING TOWN CODE, §340-2 (REPLACEMENT OF OFFICIAL ZONING MAP) TO REPLACE A REFERENCE TO “ZONING ORDINANCE” WITH “CHAPTER 340;” AMENDING TOWN CODE, §340-3 (OFFICIAL CRITICAL AREA OVERLAY DISTRICT MAPS) TO REPLACE A REFERENCE TO THE “ST. MICHAELS CHESAPEAKE BAY CRITICAL AREA PROGRAM” WITH “SECTIONS 340-27 THROUGH AND INCLUSIVE OF 340-27.19 OF THE TOWN CODE;” AMENDING TOWN CODE, §340-5 (RULES FOR INTERPRETATION OF ZONE BOUNDARIES) TO DELETE AN OUTDATED EDITORS NOTE; AMENDING TOWN CODE, ARTICLE II (APPLICABILITY) §340-6 (APPLICATION OF ZONE REGULATIONS) TO CLARIFY THAT THE BOARD OF APPEALS MAY GRANT VARIANCES TO CERTAIN ZONE REGULATIONS, TO PROVIDE THAT LOT SIZE, SETBACK AND LOT COVERAGE REQUIREMENTS WILL BE LOCATED IN ARTICLE IV (ZONING REGULATIONS), TO CHANGE THE PROVISIONS RELATING TO WHAT CONSTITUTES LOT COVERAGE AND HOW ONE CALCULATES MAXIMUM LOT COVERAGE FOR FAST LAND AND PRIVATE WETLANDS AND HOW ONE CALCULATES TOTAL LOT AREA FOR PRIVATE SUBMERGED LANDS; REPEALING AND REENACTING WITH AMENDMENTS TOWN CODE, ARTICLE III (NON-CONFORMING LOTS, USES OF LAND, STRUCTURES AND PREMISES) TO REDEFINE WHAT IS A NONCONFORMING STRUCTURE, LOT, USE, AND SIGN AND THE ABILITY TO ALTER AND MAINTAIN A NONCONFORMING STRUCTURE OR USE, AND TO PROVIDE, AMONG OTHER THINGS, THAT RESIDENTIAL STRUCTURES LEGALLY CONSTRUCTED AS OF THE DATE OF ENACTMENT OF THIS ORDINANCE THAT ARE NONCONFORMING AS TO YARD SETBACK AND LOT COVERAGE, SHALL BE DEEMED CONFORMING; REPEALING AND REENACTING TOWN CODE, ARTICLE IV (ZONING REGULATIONS), EXCLUDING THOSE PROVISIONS RELATING TO THE CHESAPEAKE BAY CRITICAL AREA (SECTION 340-27 THROUGH SECTION 340-28) TO DELETE THE AGRICULTURE ZONE B LOW DENSITY, THE NEIGHBORHOOD COMMERCIAL ZONE NC, THE LIMITED COMMERCIAL ZONE LC, AND TO CREATE A GATEWAY COMMERCIAL ZONE AND A HISTORIC REDEVELOPMENT ZONE – HRZ AND TO ESTABLISH REGULATIONS THEREFOR, TO PLACE ALL LOT SIZE, DENSITY, YARD, STRUCTURE HEIGHT, LOT WIDTH, LOT DEPTH, MAXIMUM LOT COVERAGE REQUIREMENTS RELATING TO EACH ZONE WITHIN THE SECTION RELATING TO THE ZONE AND TO CLARIFY SAID REQUIREMENTS, TO CREATE A TABLE IDENTIFYING THE FRONT YARD SETBACKS FOR THE R-1 AND R-2 ZONES BASED UPON THE PREDOMINANT FRONT YARD SETBACK OF EACH BLOCK, TO CREATE A TABLE OF PERMITTED USES REFLECTING THE USES ALLOWED IN EACH ZONE, TO CREATE SECTION 340-32 “NOTES TO TABLE OF GENERAL LAND USES,” TO IDENTIFY SUPPLEMENTAL ZONING REGULATIONS FOR VARIOUS USES, AND TO RELOCATE THEREIN WITHOUT AMENDMENT THE PROVISIONS RELATING TO OVERLAY ZONES GENERALLY, THE PLANNED REDEVELOPMENT ZONE OVERLAY DISTRICT AND THE TRADITIONAL NEIGHBORHOOD DEVELOPMENT (TND) ZONE; REPEALING AND REENACTING WITH AMENDMENTS TOWN CODE, ARTICLE V (SUPPLEMENTAL ZONE REGULATIONS) TO DELETE THE PROVISIONS RELATING TO THE PLANNED REDEVELOPMENT ZONE OVERLAY DISTRICT AND THE PLANNED REDEVELOPMENT AREA, AND TO AMEND THE SIGN PROVISIONS TO CLARIFY THE TYPES, SIZE AND NUMBER OF SIGNS PERMITTED FOR EACH USE, AND TO GENERALLY AMEND THE SUPPLEMENTAL ZONE REGULATIONS; AMENDING TOWN CODE, ARTICLE XV (DEFINITIONS),

§340-108 (DEFINITIONS) TO DELETE THE DEFINITION OF "THIS CHAPTER", TO ADD DEFINITIONS OF CAFÉ/COFFEE HOUSE, CARNIVAL, GOVERNMENT SERVICES, LANDSCAPING/GREEN AREA, MAXIMUM LOT COVERAGE, MOTEL, RECYCLING COLLECTION CENTER, SIGN, SMALL UTILITY STRUCTURE, AND TEMPORARY USE PERMITS, AND TO AMEND THE DEFINITIONS OF BED AND BREAKFAST INN, BUILDING OR STRUCTURE HEIGHT, HOTEL, PRINCIPAL STRUCTURE, RESTAURANT, "SIGN, NUMBER AND SURFACE AREA", "STORY; HALF STORY", "STRUCTURE, PRINCIPAL", AND "YARD, FRONT"; ALL MATTERS GENERALLY RELATING TO THE ZONING REGULATIONS FOR THE TOWN'S BASE ZONES, SUPPLEMENTAL ZONE REGULATIONS AND NONCONFORMING LOTS, USES, STRUCTURES AND SIGNS; AND PROVIDING THAT THIS TITLE SHALL BE A FAIR SUMMARY HEREOF.

President Brady said that Ordinance 416 was an amendment to the zoning code and that it had been introduced by all five Commissioners during the April 28, 2010 meeting. President Brady called on Mrs. Renshaw who introduced Bill Rose, President of the Planning Commission, and said she and Mr. Rose were available to answer any additional questions the Commissioners might have regarding Ordinance 416. President Brady referenced the section on entitled "Café/Coffee House of the Ordinance and asked the Commissioners' permission to add the Chesapeake Bay Maritime Museum's (CBMM) request to serve food on premises to the museum zoning and to allow discussion of this matter at the public hearing. Commissioner Clark said she had concerns that this change could be deemed significant and would necessitate referral back to the Planning Commission for review. Mrs. Renshaw and Mr. Rose indicated that discussion of this matter had been tabled for the Planning Commission until Phase 2 of the comprehensive rezoning was discussed and that this change would be significant. Commissioner Hunt agreed. Commissioner Clark said the Commissioners should discuss the Ordinance as introduced or if a change as proposed by Commissioner Brady was added, it would require referral back to the Planning Commission so that the public can participate in any discussions. President Brady withdrew his proposal, and recognized Langley Shook, President of the CBMM, who urged the Commissioners not to delay action on the Museum's request. President Brady concluded the discussion of Ordinance 416 and said it was scheduled for a public hearing on May 19, 2010 and eligible for a vote at the May 26, 2010 meeting of the Commissioners.

- **Ordinance 418** - AN ORDINANCE OF THE COMMISSIONERS OF ST. MICHAELS TO AMEND THE OFFICIAL ZONING MAP OF THE TOWN OF ST. MICHAELS IN ACCORDANCE WITH THE REQUIREMENTS OF THE CODE OF THE TOWN OF ST. MICHAELS FOR A COMPREHENSIVE REZONING AND THE RECOMMENDATIONS OF THE TOWN'S COMPREHENSIVE PLAN DATED DECEMBER 3, 2008.

Mrs. Renshaw gave an overview of the process in preparing the maps. There were no questions from the Commissioners. All five Commissioners introduced Ordinance 418, and President Brady said the public hearing would be held on May 19, 2010 with a possible vote on May 25, 2010. President Brady thanked Mrs. Renshaw and Mr. Rose for being available for questions and dialogue.

Discussion Items:

- **Phase 4 (Cherry Street and Mulberry Street) of the Street Reconstruction Project**
Mrs. Thomas provided a status update on the street project. Mrs. Thomas said that Talbot County sewer work has delayed Town work on Mulberry Street, and that the County currently does not have the funds to do the work, nor can it give a definitive date when work

would start. The Commissioners discussed moving the Cherry Street work ahead of Mulberry Street on the schedule. The Commissioners agreed to meet with residents on Cherry Street and to send letters to residents on both Mulberry and Cherry Streets informing them of the meeting and the reasons for the Mulberry Street delay.

Commissioners Calendar:

President Brady suggested Tuesday, June 15, 2010 at 5:00 p.m. to meet with the residents of Cherry Street. Mrs. Thomas noted that the Commissioners had an option to update their fee schedule to add the cost of HVAC inspections. President Brady suggested June 9, 2010 for the first discussion of that possible change.

Comments from the Public:

- Barney Kastel of Mt. Pleasant Road offered his property at 1106 S. Talbot Street free of charge as a possible staging area for equipment needed for the repair of Cherry Street to reduce noise and dust from the current staging area on Railroad Avenue. Mrs. Thomas said she would like to pursue that option.
- Ann Hymes of Grace Street offered thanks to Commissioners Snyder and Dinkel for their many years of dedication and service to the Town.
- Pat Howell of St. Michaels Candy & Gifts asked about the ballot voting for the appointment of Planning Commission members. President Brady said he would talk with Mrs. Howell after the meeting.

Comments from the Commissioners:

Commissioner Snyder said that as the Town discusses changing its trash policy, everyone should make a point to see the video "The Story of Stuff" which is available on-line. President Brady thanked everyone who attended or participated in the ribbon cuttings for Muskrat Park and the Nature Trail opening.

Announcement of Future Meetings/Events:

President Brady announced future Commissioners' meetings and events as follows:

- May 19, 2010 – 4:00 p.m. – Town Office – Special Public Working Session on the Final Draft of the FY 2011 Budget and Discussion re: FY 2010 Budget Amendments
- May 19, 2010 – 5:30 p.m. – Town Office – Special Public Session - Public Hearings on Ordinances 415(Miles Point TND Map Amendments), 416 (Zoning Ordinance), 418 (Comprehensive Rezoning Map Amendments) and on the Heatherington Harbor Annexation Plan
- May 26, 2010 – 6:30 p.m. – Town Office – Regular Legislative Session
- June 9, 2010 – 5:00 p.m. – Town Office – Regular Public Session
- June 23, 2010 – 6:30 p.m. – Town Office – Regular Legislative Session

Adjournment:

President Brady adjourned the meeting at 7:45 p.m.

Respectfully submitted:


Sabrenia L. Yohn, Administrative Clerk

The Commissioners of St. Michaels
May 12, 2010

Attachments:

- Resolution 2010-05
- Resolution 2010-06
- April 2010 Departmental Reports
- Ordinance 416
- Ordinance 418