

Dear

DRAFT

OFFICIAL MINUTES OF APRIL 27, 2020 REGULAR COUNCIL MEETING
NO. 20-08

The Council meeting of the Town of Sykesville was held on Monday, April 27, 2020. Mayor Shaw called the meeting to order at 7:00 P.M. via Zoom.us. Mayor Shaw led the Pledge of Allegiance and a moment of silence.

PRESENT: Mayor Ian Shaw, Council President Alan Grasley, and Council Members Anna Carter, Mark Dyer, Leo Keenan, Stacy Link, and Jeremiah Schofield.

STAFF: Joseph Cosentini, Town Manager
Police Chief Michael Spaulding
Craig Weaver, Town Treasurer
Kerry Chaney, Town Clerk
Mark Onheiser, Special Projects Coordinator
Derek Shreves, Public Works Director
Dennis Hoover, Town Attorney

CONSENT AGENDA

I. Minutes from April 13, 2020

MOTION: Council President Grasley motioned to approve the item on the Consent Agenda. Council Member Carter seconded the motion.

The motion carried unanimously.

UNFINISHED BUSINESS

I. **Public hearing on and Consider/Discuss/Act on Ordinance NO. 2020-04 – Disturbing the Peace**
There were no public comments regarding Ordinance NO. 2020-04

MOTION: Council Member Link motioned to approve Ordinance NO. 2020-04 – Disturbing the Peace. Council Member Keenan seconded the motion.

The motion carried unanimously.

NEW BUSINESS

I. **Introduction of Ordinance NO. 2020-05 – FY2020-2021 Budget**

Mayor Shaw explained that there was a budget meeting on Wednesday, April 22, 2020. Some excessive accounts were discussed about being removed and renamed accounts for consistency. Council Member Schofield asked for additional language to be added to the capital improvements item for tables and chairs in the conference room. It will be added before the adoption. There will be a public hearing on May 11, 2020.

II. Discussion: Small Business Micro Grant Program Proposal (\$50,000)

Council Member Schofield presented this item. He explained that there are other local municipalities, such as Thurmont and Frederick, that have created grant programs for their businesses due to the impact of COVID-19. He consulted with the Economic Manager in Frederick to figure out how they created their program.

He explained that there are 74 businesses in the community. 25 businesses replied to a poll conducted by Julie Della-Maria and the Downtown Sykesville Connection (DSC). 92% of the businesses have had a 50% or more loss in revenue, 68% of the businesses have lost 75% or more of their revenue. 60% of the businesses responded that they would not be sustainable within a two to three month window if businesses remain closed and no support is given.

Council Member Schofield's proposal calls for \$50,000 in Phase I to immediately help businesses. Grant awards would be up to \$1,250 per business with no repayment. The business must be a registered business in good standing with the State of Maryland, have no more than 15 employees as of March 1, 2020, have a physical establishment in the Town of Sykesville, have been engaged in activities currently regulated or impacted by the State of Emergency, demonstrate a loss of revenue of 50% or more due to COVID-19, and have no pre-existing tax liens or legal judgements.

Certain entities including home based businesses, churches, non-profits, banks and financial institutions, investment real-estate entities, food trucks, and government agencies are not eligible for the grant.

The City of Frederick has a couple of staff members working full-time on their grant application reviews.

Phase II could include a grant that the DSC is applying for to receive up to \$50,000. It is a 1:1 matching grant. Ms. Della-Maria is optimistic about being awarded the full amount requested.

Council Member Link is 100% in support of a non-loan possibility. She explained that a thriving Main Street is indicative of good residents and higher property values. There has been four years of 100% occupancy on Main Street.

Council Member Carter is in favor of it, however, thinks the details and specifics can be decided later.

Council President Grasley is not in favor of this program as it was presented. He would like to see a budget neutral program instead.

Council Member Keenan is fully in favor of the program as presented. He was slightly involved with the creation of this document and explained that it reads similar to Carroll County's program and the City of Frederick's program.

Council Member Dyer is in favor of the program. He thinks the Phase II would be a time for possibly having a budget neutral plan. He also would like the Town to be fully transparent about who receives money and how it was used.

Mayor Shaw is not in favor of this program as it was presented. He would prefer a bigger amount to the businesses with a payback program. His thought was having \$50,000.00 in no interest, three-year loans; there would be 20 loans available at \$2,500 each. The loans would be in addition to a \$25,000 Grant Program to match the grant that Ms. Della-Maria and the DSC are pursuing. He also thinks private money should be solicited to help increase the amount of businesses helped.

Julie Della-Maria, Executive Director of the DSC, explained that she needs a letter of commitment in the amount of money that will be used in Phase I. The maximum of the matching funds that can be received is \$50,000. She explained that she believes we are at a place where a loan would not help, and a grant is going to help the best. She is willing to provide the minutes from the next Main Street Maryland meeting. She explained that the grant money from the State would not be received until the end of June to the middle of July. The Town match can be used prior to the award of the grant.

Julia Betz called in to comment on this item. She suggests having a public hearing on this item. She does not agree with the grant program but does agree to a no interest loan. She thinks it is foolish to spend money when the Town will be coming into hard times. Believes it is contrary to ask taxpayers on unemployment to fund small businesses.

Bob Betz called in to comment on this item. He agrees with the burden on struggling taxpayers. He explained that it is a government, not a charity. The Town already has a committed budget that did not include this item. He also thinks it could be discriminatory to home businesses and churches. Why would those businesses not be allowed to apply for the grant?

Frank Robert called in to comment on this item. He is in support of helping out the businesses, but he would support a hybrid program. He suggested having something in place where if it was paid back in full before the due date, they would only have to pay 75% of the loan.

Jenn Elliott from Market Tavern called in to comment. She explained that as one of the small businesses, time is of the essence. She would not like to see Main Street backslide from this. Any little bit helps.

Helene Taylor wrote a comment stating "It would be very difficult for small businesses to take out more loans. Small businesses got funding but most of are loans."

Julie Della-Maria explained that most loans have forced the businesses to keep their employees on staff in order to receive the loans. The staff then would receive less money than they would on unemployment. The loans are not as beneficial and should be complemented by a grant program

Council Member Dyer asked if it was possible to reach a compromise. Council Member Link would like the dollar figure to be decided on tonight and the letter of commitment written.

Debbie Scheller called in to comment. She is a resident and a business owner. She does not see a negative in an interest free loan. She does have concerns about tax money being given out as a grant. She agrees with helping out but not bailing out.

Joe Cosentini, Town Manager, explained that staff has not looked into what the Town can cut to make up the difference. He would be concerned doing that in the current budget because of the question of what funds may come in short. The best option would be to get the funding for the program from the unrestricted fund. Mayor Shaw explained that no one is able to predict what will happen with the budgets at the State, County, or municipality level.

Council discussed with Dennis Hoover, Town Attorney, the process of declaring an emergency ordinance. There was also discussion on the letter of commitment. The matching funds for the DSC applied grant must be given as grant funding; a loan program could not be used for the grant.

Council Member Schofield asked if the match for the grant could be used immediately. Council President Grasley asked if the DSC could contribute as well. Julie Della-Maria explained that the money could be used up until the grant was awarded. She also explained that the DSC recently lost one of their biggest fundraisers and has continued to maintain their employees, so they do not have any additional funds to use for the matching portion of the grant.

Julia Betz commented again to confirm that Council would be voting on the dollar amount and all the public would be able to comment on would be the criteria for spending the money. She believes the public should have input on the dollar amount and if it is a grant or a loan.

MOTION: Council Member Link motioned to determine the Ordinance for the Micro Grant program as an Emergency Ordinance. Council Member Schofield seconded the motion.

The motion passed with a super majority of 5-2. Council Members Link, Schofield, Carter, Keenan, and Dyer voted in favor of the motion. Mayor Shaw and Council President Grasley voted against the motion.

MOTION: Council Member Schofield motioned to approve a letter of commitment for matching funds of \$50,000. Council Member Keenan seconded the motion.

The motion passed 4-3 with Council Members Link, Schofield, Keenan, and Dyer voting for the motion, and Mayor Shaw, Council President Grasley, and Council Member Carter voting against the motion.

The ordinance will be brought for decision on Monday, May 11, 2020.

ANNOUNCEMENTS/REPORTS

- Next Mayor and Town Council Meeting is on Monday, May 11, 2020. This will be a Zoom.us meeting.
- Spring Cleanup Day has been postponed. A new date will be announced after the State of Emergency has been lifted.
- We have volunteer opportunities available on the Historic District Commission, SPARC, Police Auxiliary, and Crossing Guard. Email town@sykesville.net for more information about volunteering with the Town.
- Staff Updates
 - o Joe Cosentini, Town Manager, thanked Public Works and the Police Department for their work. He announced that the MML Summer Conference has been cancelled and will be held as a virtual conference. He is still working with the master plan consultants and will be discussing the citizens advisory committee at the next meeting.
 - o Public Safety Report
Chief Spaulding presented the Public Safety Report for the period of April 8 through April 21. There was a total of 340 reports including three assist other agencies, five incident reports, and 279 patrol checks. Chief Spaulding explained that the officers are limiting their interactions with the public unless necessary. There have been nine total charges of people unlawfully entering the skate park, and Officer Kirkner has caught all of them.

Chief Spaulding announced that the Police Department had their “soft opening” with the Ring Neighbors App. This allows residents to share video recording with the Police Department. Residents can text “Staysafe” to 555888 to download the app.
- Council/Committee Reports

- o Council President Grasley announced that Commissioner Ed Rothstein and the Main Street merchants will meet via Zoom on Wednesday, April 29.
- o Council Member Schofield thanked Chief Spaulding for responding to a Raincliffe issue. He also wondered if the Town would be interested in coordinating a drive by celebration for graduating seniors. He explained that his daughter would be interested in coordinating.
- o Council Member Keenan announced that the DSC Board met Monday, April 20. They are working on their tax exemption. They also have an opening for Board Members.
- o There were no Planning Commission, Historic District Commission, or Sykesville Parks and Recreation meetings. The Gate House and Schoolhouse have also been closed during the shutdown.
- o Mayor Shaw announced that the Carroll County Mayors have been meeting weekly via Zoom during the shutdown.
- o Council Member Link announced that she was part of a meeting with Senator Hester and Ed Rothstein discussing resources all over Carroll County for needs.

PUBLIC COMMENTS

Julia Betz, resident, asked about the ASCAP fees being removed from the Town budget. Joe Cosentini will look into whether they are needed or not.

ADJOURN: **There being no further business to come before the Council, Council President Grasley motioned and Council Member Keenan seconded to adjourn meeting at 9:17 P.M.**

The motion carried unanimously.

Respectfully submitted
Town Clerk Kerry Chaney