

Regular Meeting of the City Council

Monday, May 13, 1991

CITY OFFICIALS PRESENT:

Mayor Sharp	City Administrator Wilson
Councilmember Douglas	Asst. City Admin. Habada
Councilmember Elrich	City Clerk Jewell
Councilmember Hamilton	
Councilmember Porter	
Councilmember Prensky	
ABSENT: Councilmember Leary	
Councilmember Moore	

The City Council convened at 8:05 p.m. on Monday, May 13, 1991, in the Council Chamber at 7500 Maple Avenue, Takoma Park, Maryland.

Following the Pledge of Allegiance, the Mayor and City Council made the following remarks.

MAYOR/COUNCIL COMMENTS

Mayor Sharp announced that Councilmembers Leary and Moore were out of town this evening.

Mr. Sharp announced that the Montgomery County Historic Preservation Commission had presented their 1991 Award to the Takoma Park Historic Preservation Task Force in recognition of their work in developing a historic district in Takoma Park.

Mr. Sharp also announced that on May 20th, there would be a public hearing on the rent petition standards that the City uses in determining increases above the rent stabilization ceiling. He noted that this is the most significant effort to change the rent control laws in Takoma Park, which have not been changed in quite a while. The Mayor encouraged all citizens who were interested to attend the meeting and express their views.

Mr. Sharp announced that on May 30th, WSSC would be holding a meeting at City Hall regarding the Hiker/Biker Trail in Takoma Park and the sewer line and on June 18th the City Council will hold a Public Hearing to discuss the redrawing of the Ward boundaries for the City. Mr. Sharp said the number of Wards had been changed from seven to six with the redistricting and the 1990 Census and there would be a discussion of the work the Elections Task Force had been doing in developing new Ward boundaries. There would also be an opportunity to discuss Charter changes from the City Council and Election Task Force.

Mr. Douglas asked if Council would be able to get the Election Task Force's recommendations for ward boundaries in the Newsletter before the Hearing. Mr. Sharp said that was the expectation--to have it available at least 10 days before the Public Hearing on June 18th.

Mr. Hamilton announced that on May 11, 1991, long time resident Alberta Dawes passed away. Mr. Hamilton said that Mrs. Dawes lived in Takoma Park since 1924 and was the mother of Roland and Clarence Dawes and the grandmother of Dolly Davis, a Cable volunteer and Election Task Force member. He said services would be at the Takoma Park Baptist Church located at 635 Aspen Street, N.W., on Wednesday, May 15, 1991 from 10:00 a.m. to 11:00 a.m.

ADOPTION OF MINUTES FROM MARCH 25 AND APRIL 8, 1991

Motion was made to withdraw adoption of the March 25th minutes. The April 8th minutes were moved for adoption and adopted by unanimous vote.

CITIZENS COMMENTS (those directed at items not on Council Agenda)
Rino Aldrighetti 7213 Central Avenue expressed his appreciation to the Council for the public forum held on budget and educational concerns in Prince George's County schools. Mr. Aldrighetti also expressed special appreciation to Councilmember Porter who put in her time on this issue. Regarding the changing of the Municipal Building name, Mr. Aldrighetti said that to date, \$1,900 had been raised and he noted that \$500 had been donated by Washington Adventist Hospital. Mr. Wilson commented that the City would be finalizing proposals for bids on this project in about 3 weeks.

AGENDA

1. Resolution of Appreciation to Robert and Abby Mandel

Adoption was moved by Mr. Prenskey and seconded by Mr. Elrich.

Mayor Sharp read from the Resolution which noted highlights of the Mandel's long history and community involvement in Takoma Park expanding over 40 years.

CITIZEN COMMENTS

Connie Chapman Volunteer from Washington Adventist Hospital expressed her praise for Robert Mandel and the volunteer work he had done with the Hospital. She noted that the staff would miss Mr. Mandel and she wished him lots of luck.

Janice Martin, 1319 Elson Place said she met the Mandel's in 1982 when they were helping to write the Tree Ordinance. She said that Abby served as an alternate who seemed to always be there. Ms. Martin said she was sorry the Mandels were leaving, but was glad to have had them.

Unidentified citizen congratulated the Mandels. She said that Bob was very feisty and she used to ride the bus with him. She wished them both good luck.

Mosey Harrington from Community Ministries of Prince George's County said 15 years ago Abby Mandel walked into the Office of Community Ministries Coordinating Center to volunteer her services in assisting the poor in Prince George's County, and two weeks ago she came in for the last time, and it was a sad occasion. She expressed her love and admiration for Abby Mandel. Ms. Harrington presented a Roman coin to the Mandel's from 170 A.D. and told them to remember that "Rome was not built in a day".

Melba Henry, 416 Boyd Avenue said she had lived at that address for 49 years and she could not remember the first time she heard of Abby Mandel because it was such a long time ago. Ms. Henry said she had worked on numerous projects with Abby Mandel and Abby and Bob had a large range of interests in a lot of projects.

Robert Mandel, 7003 Woodland Avenue. Mr. Mandel said he thought that instead of receiving all the compliments, he and his wife should be giving a statement of appreciation to the members of the Council because of the long hours they spend on the City's business and that everyone should be grateful to the Councilmembers for assuming those burdens.

Esther Herman, 511 New York Avenue thanked Bob and Abby Mandel for being there for the children. She said many years ago, Abby had gotten her involved in the Home Study Program for children, as well as a volunteer at a nursery school, and Bob had been a wonderful babysitter for her 9 month old child.

COUNCIL AND OTHER COMMENTS

Mr. Elrich said that it had been a pleasure to know the Mandels, and he wished them well.

Mr. Douglas said he noticed in the Resolution "Whereas" clause the things that the Mandels had asked for in terms of funding and he remembered that the Mandels did not always ask for things to be funded; they also told people what they should not pay for and how to do things more efficiently and cheaper, and he felt that it was a rare quality of the Mandels. He also said that the people should hold the Mandels as being model citizens of the community.

Mr. Hamilton said the Mandels made the Council think twice on certain issues that it had considered.

Ms. Porter said she served on the Board of Historic Takoma with Bob Mandel and she remembered how valuable he had been on the Board and that he remembered things no one else could remember, and she was sorry to be losing him. She said she worked at polling places with Abby Mandel where they spent time waiting for voters to show up and she had very interesting discussions with her and she was very refreshing to talk to.

Mr. Prensky said the Mandels brought good will and good works to Takoma Park. He further said that he was fortunate to represent them in one and one-half years and he considered it his good fortune, it was a truly enlightening and pleasant experience to work with them and to know them. He also said they would be deeply missed, and he wished them joy, and asked them to come back and visit as often as they could.

Mayor Sharp read a letter from former Mayor Del Giudice expressing his sense of loss by the Mandels leaving Takoma Park.

Eli Mora said he had known Bob Mandel since they were in Columbia Law School, which was over 50 years ago. He also said Mr. Mandel was a very good lawyer and he lived his life as he thought best. Mr. Mora said he was sorry that the Mandels were moving to Alabama and he said that his wife sent her regards to them also.

Elizabeth Cantor said she was Bob Mandel's sister and Abby's sister-in-law and she was happy to be at the meeting. She went on to say that no one had mentioned other qualities - the modesty that they have. She said her children and grandchildren had missed a great moment by not being at this evening's presentation, but they had learned a lot by just having the Mandels in their family.

City Administrator Wilson expressed his appreciation to the Mandels and said that all of the City Staff thought just as much of them as they did anyone who had come through City Hall and the Council Chamber. He also thanked them for being models who had helped the Council keep the dream alive when it came to what it meant living in a democracy and acting like you're part of a democracy.

Tobi Alderman said she and her husband were old friends of the Mandels. She said that she and Jane had worked at the CIO in 1946 and they spent many days walking the pavement in front of the National Theater to have it closed because it was a segregated theater until finally it was integrated. She said the Mandels were innovators and workers and they deserved everything that they got.

Patricia Knight, 609 Elm Avenue said she moved to Takoma Park in September 1965 and Abby walked in her door in October 1965, and she regretted that they were leaving. She said Abby was the dearest friend she had ever had. She concluded by saying for her, Takoma Park would never be the same without the Mandels.

COUNCIL ACTION: The question was called and the Resolution passed unanimously. Mayor Sharp presented the Resolution and two certificates of Honorary Citizenship to the Mandels.

RESOLUTION NO. 1991-49
(Attached)

Upon motion made and seconded, the meeting adjourned at 8:45 p.m. to reconvene in Public Hearing on May 20, 1991. The Council joined the citizens and staff in the City Hall Lobby for a light reception in honor of the Mandels.

Introduced By: Councilmember Prensky - Dated this 13th day of May, 1991

Resolution No. 1991-49

WHEREAS, Takoma Park residents Robert and Abby Mandel who have been active in the community for over 40 years are moving out of the City for the quiet life in Huntsville, Alabama and to be closer to their family; AND

WHEREAS, Mr. Robert Mandel has served on the Joint Takoma Park-Prince George's Civic Association; has served six years on the Takoma Park Independence Day Committee and is currently a Volunteer Receptionist with the Washington Adventist Hospital Surgical Department; AND

WHEREAS, Mrs. Abby Mandel has served as the Precinct Chairman of the Democratic Committee; served on the Takoma Park Library Board for about 8 years; was a Camp Fire Girls leader for five years and has served on the City's Tree Commission and has been a member of the Takoma Park Horticulture Club since the 1950's; AND

WHEREAS, both Mr. and Mrs. Mandel have been active volunteers for Shepard's Table since 1985; were members of the Takoma Park Elementary School PTA from 1963-1969 and Board members of the Home Study Program--the first tutorial program in this area. Both Mandels have also served as Takoma Park Elections Judges, and were active in the former Spring Park Civic Association for which Mr. Mandel was President for 10 years; AND

WHEREAS, the Official Records of Takoma Park show that over the years, the Mandels have attended many Council Meetings and Public Hearings and have testified on behalf of fire protection for the Prince George's side of Takoma Park; on behalf of budget increases for City Departments such as the Library, Recreation, and Police; on behalf of financing for the Takoma Park Volunteer Fire Department; on behalf of raises and benefits for City employees and on behalf of numerous other matters and causes; AND

WHEREAS, Takoma Park is a better community thanks to the dedication and commitment of citizens like Robert and Abby Mandel and they will be missed by the community, the City Council and City employees alike; AND

NOW, THEREFORE BE IT RESOLVED that the City Council hereby expresses its deep appreciation to Robert and Abby Mandel for their many years of community involvement and wishes the Mandels happiness in their new home town of Huntsville, Aabama; AND

BE IT FURTHER RESOLVED that by the authority of this Council, Robert and Abby are hereby declared Honorary Citizens of the City of Takoma Park, Maryland; AND

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to spread a copy of this Resolution among the permanent records of Takoma Park.

Attest:

Edward F. Sharp
Mayor

Paula S. Jewell, CMC
City Clerk

PUBLIC HEARING OF THE CITY COUNCIL

Monday, May 20, 1991

CITY OFFICIALS PRESENT:

Mayor Sharp	City Administrator Wilson
Councilmember Douglas	Asst. City Admin. Habada
Councilmember Hamilton	City Clerk Jewell
Councilmember Leary	Police Chief Fisher
Councilmember Moore	Public Works Director Knauf
Councilmember Porter	DHCD Director Grimmer
Councilmember Prensky	Corp. Counsel Silber
	Asst. Corp. Counsel Perlman

The City Council convened at 7:30 p.m. on Monday, May 20, 1991 in the Council Chamber at 7500 Maple Avenue, Takoma Park, Maryland.

Briefing on the Municipal Building Space Expansion Project

Mr. Wilson indicated that he had a summary sheet of the responses to the request for proposals, including a summary of the expenses for the construction contract. He asked Public Works Director Knauf to give some background information on how the bid package was developed and what the figures meant. Mr. Wilson also said that Mr. Lipman would give a brief overview of the proposed project schedule.

Mr. Knauf reported on the four areas of the Municipal Building Renovation Project: 1) selection process, 2) bidding results, 3) status and 4) recommendations. He said they had received expressions of interest from one dozen contractors and after careful review, they selected five. The Bids were opened on May 16th with the low bid of \$328,426.00 from the Bob Porter Company, Inc. Mr. Knauf noted that in Resolution 1990-104, passed November 26, 1990, the Council established a \$425,000.00 project cap. He said in the summary of the elements for cost of the project, outlined in his memo dated May 17th, it was clear the architect had done a good job and the project had moved along very well, and it could be accomplished within the \$425,000.00 cap, unless unforeseen conditions occurred. He also said that the recommendations of the bidders were all revealed before the bids were received, he confirmed the information in the package from the current low bidder (Bob Porter Company, Inc.) and he would be recommending that the Council award the contract to that company.

The Architect, Brandon Lipman, said that at this point the contract had not been signed and it would take 3 to 4 months to complete construction.

Mr. Prensky asked what were the contents of the Addendum Numbers 1 and 2.

Mr. Lipman replied that Addendum No. 1 was miscellaneous items that had been corrected and there was no Addendum No. 2.

Mr. Hamilton asked if the contingency plan would take 4 months to complete if it started on the 1st of August, for example, because during the month of November, the building was used for elections.

Mr. Wilson responded that the 4 months would begin upon approval of the proposed contract which could happen as early as June 10th; that being the case, the clock would start running shortly thereafter and continue through September and some of October to finish.

Mr. Douglas noted that the Council had decided not to make a final decision on the project before having a public comment on it, but he noticed that the item was on the Agenda for the next Council meeting, and was there some anticipation that it could be a Public Hearing on it at that time.

1. Public Hearing on Rent Petition Standards

Mayor Sharp commented that this issue had been before the Housing Committee and the City Council for several years. Concerns about the way rent petition laws work and the law had been under a lot of scrutiny recently and the Council felt there were a lot of ways in which it could be strengthened. He also said that the issue was not before the Council at first reading and he hoped that there would be time after the Hearing to have some discussion in worksession to prepare for putting the proposal to first reading because it was not in ordinance form yet.

Liz Tracey, Executive Director of The Commission on Landlord and Tenant Affairs, said she was the one who drafted the ordinance and took the model which was used in D.C., altered it and tied landlord increases into a rate of return on equity. She also said there were other options; one that would guarantee a certain rate of return to all landlords who did have equity in Takoma Park; the rate would be calculated by providing a cash flow, and the other model would be a maintenance rate of return for the past few years, averaging what the landlords were getting from a rate of return in the past few years and then agreeing to payment. The final model was a method that would pass through increased costs to the tenant, so if the landlord found in a given year his costs were going up, he would be allowed to take an increase to cover the costs.

Mr. Douglas asked if the proposal was to govern rent increases under the stabilization ceiling of 4%-5%. Ms. Tracey responded in the affirmative.

CITIZEN COMMENTS

Saul Schneiderman, 301 Lincoln Avenue said he was a homeowner and prior to being one, he had lived on Flower Avenue, Greenwood Avenue, Sligo Creek Parkway, and Lincoln Avenue and he was sympathetic with tenants. He said he agreed with the Mayor that more time was needed to study the proposal. He also said that one of his coworkers told him she liked Takoma Park because it was different and diverse. Mr. Schneiderman said he wanted Takoma Park to maintain its diversity also. He also said the last Census stated that 50% of people who lived in rental units in the U.S. were single or single people who were heads of households. He concluded by saying whatever issue the Council decided to take was going to be an important piece of social engineering for the city in the years to come as to what the makeup in the city would be like, and he urged Council to consider the gravity in which it dealt with the issue. He thanked the Mayor and said more time was needed to look at the issue.

Marcey Rinker, works with Takoma Park Housing Providers Assoc. said she lived in Takoma Park for 18 years and she was concerned that a close look needed to be taken on the issue. One of the things she loved about Takoma Park was its diversity and raising her kids in the environment. She said she wanted to see the city maintained at a quality level and one of her concerns about the petition process had to do with the length of time it took in deciding the petition, and if the increase was granted, it would come back on the tenant retroactively. She said the whole process should be streamlined which would be beneficial to all.

Jack Feldman, 6833 Eastern Avenue said that when he got into the business world on his own, he was told "one must spend money to make money", and as a housing provider he had been constantly investing in his properties to maintain desirable housing accommodations to attract responsible tenants. He said if the rate of returns were reduced, it could create undesirable neighborhoods

e.g., Ivy City or Anacostia and he did not think that anyone would want to live in neighborhoods such as those.

Michael Clinansmith, President Maple View Tenants Association 7710 Maple Avenue said he had been called by a COLTA representative one morning who drew his attention to a letter she sent him. He said that tenants were people and they had rights, and one of those rights was to be heard. He said that the COLTA process had failed. Mr. Clinansmith said the letter from Ms. Tracey to him did not indicate any rights to the tenants. He cited several parts of her letter: affordable housing; quality of affordable housing--not high quality housing. He said each one of the points was the standard in which he informed his association that they made their decision on for rent increases. He also said that last November his association had come before COLTA as a result of a 15% rent increase request made by Tarranova Enterprises, and they were told not to worry about it; they would only get 7% or maybe 6% and they would not have any problem. Mr. Clinansmith said as a result of that, the people had said maybe they shouldn't protest. Mr. Clinansmith said in the end, they came out with a 12% increase, and on top of that, they were told for every unoccupied apartment, the increase would be 15%. He called attention to the prerequisite listed as point 2 which states: not to exceed 12% and said that last month in the Takoma Park's Newsletter, the same people who were professing not to exceed 12%, granted a 30% increase on 236 Manor Circle. He said the tenants have no say in Takoma Park when the law provides that only the landlords get a rate of return. His association was currently in the process of fighting a COLTA ruling which was not based on equity in the Circuit Court; he said the new proposal does not include the words "on equity" it says "a reasonable rate of return". Mr. Clinansmith questioned who was going to determine that reasonable rate of return and were they going to have to go through the same fiasco that took place June, July, August and September 1990 because they could not get enough money. He said tenants want to know the firm standard by which you are going to impose a rent increase above the rent stabilization level and they want a voice in that decision-making process. He said that tenants are people, and tenants are people who vote.

Michael Duberstein, 106 Hodges Lane said that Takoma Park was at a critical juncture which would shape two aspects of it's future. The first was how was the community going to be governed by the present administration. He also said that this was a critical issue and the first issue was process - what will the process be under the present administration. He asked the Councilmembers if they knew what COLTA had done over the last five years and were there research reports available to give them information to make a rational decision based upon what they were being asked to do. He suggested delaying the process and having someone go into COLTA's files to do a report on 5 years of decision, to see the levels that were being done and follow up on it. He then asked what kind of community was wanted in Takoma Park. Mr. Duberstein said that he was aware that there were communities across the nation that had rent stabilization and were also the most diverse communities in the country. He said that Takoma Park was a very desirable community to live in, having the Metro, best schools, city services, and the vacancy rate was very low. He said if the changes made would be based on an equity rate of return, it would cause severe change in the community and it would also affect the cultural diversity. He concluded by urging the Council not to make changes just for the few people who wanted to destroy rent stabilization, but to make them for all the citizens of Takoma Park.

William Luksenburg, landlord, Flower Oak Apartments said he could not see how he could keep the property up with the rising costs he had--insurance, electric, etc. He said he was asking for a reasonable rent increase, so that he could keep his property nice for his tenants.

Jerry Kremen, Maple View Tenants Association said he had lived in apartments for 21 years and if the 12% rate was observed, it would increase their rent to 24% in addition to the 22% mortgage that the landlord had taken out on the property and was not using and the total would be 40%-60% of the expenses that the landlord required to run the apartment. He also said the tenants were not guaranteed a roof over their heads and asked why would the landlords be granted such a large rate of return.

Harold Wilson, 111 Lee Avenue said that as far as the rent was concerned, it was high for all the people. He spoke of Pledging Allegiance to the Flag and asked if people's lives were any less important than pledging to the flag.

Marita Novicky, 6901 Westmoreland Avenue said she was a single parent who moved to Takoma Park in July 1984, and that when she first moved there, she was taken to Georgia Avenue and showed units there, but she never had lived in those types of buildings--she wanted something a little more small-town like. She also said she had trouble with her first landlord in making necessary repairs on her apartment, so she moved. Ms. Novicky said she moved to Takoma Park, she wanted to own property, and when she first moved to Westmoreland Avenue the properties were inexpensive and by the time she received an increase in salary, she could no longer afford a mortgage, so she stayed in the same place because it was near where she worked and there was a wonderful school nearby. She went on to say that she has problems in getting her landlord to do anything; it took six letters to get the lawn cut. She said that she literally had to protest to get her landlord to do anything, but every year, the rent goes up. Ms. Novicky asked who determined the reasonable rate of return the tenants get. She concluded by saying that she had dealt with the Housing Authority and was told that unless she could prove she was having significant hardship and was really suffering, there was nothing they could do as far as giving her a rebate on her rent.

David Thate, housing provider, 7403 Flower Avenue said he sympathized with the previous speaker but he did not think it was fair to compare all the landlords together just as it would not be fair to compare all tenants together. He said it had been his experience that the landlords were not begging for tenants; it was easy to rent an apartment in Takoma Park because of the low rent.

Juanita Nunn, resident on Maple Avenue said it appeared that the purpose for establishing COLTA was to afford relief for tenants who were at the mercy of some Takoma Park landlords, but due to changes in the Department of Housing, it has become necessary for tenants to have legal representation when appearing before COLTA just to vindicate their rights. Ms. Nunn said the tenants suggested that the entire process be re-written, keeping in mind the needs of tenants, the diversity of the community and fairness to all concerned. She said in the past 5 years, tenants have only received unfair treatment from the present administration and the Department of Housing who has been known to give tenants erroneous information. Ms. Nunn said that tenants have witnessed a decrease in the levels of service while landlords increased their rents and she cited examples in the Park View. She suggested that the amount a landlord may deduct for uncollected rents should be 6%, as it was in the District of Columbia. She suggested that pages 4 and 6 be deleted, and the language that currently existed should be used. She also said that page 7 should be re-written; if COLTA had the power to establish an escrow account wherein tenants placed anticipated rent increases, then those tenants should have the same option when there were serious violations in their units. She recommended that page 10 be deleted and said that page 9, as it was written, could result in increases of \$100-200 per month. Ms. Nunn urged the Council to re-think their proposal. She said it appeared that the proposal was the Council's way of eliminating rent stabilization by allowing phased-in rent increases.

Alfred Martins, President Edinburgh House Tenants Association, 7513 Maple Avenue said recently they had an option to buy their apartment and the monies each tenant was expected to pay would be slightly more than what they pay for the normal rent increases. He also said tenants had cause to complain about the rent increases and Council should do an in-depth research on these issues on both sides--landlords and tenants, and come to a compromise and give the tenants something to appreciate.

Michael Mead, landlord said he was one of the few landlords who spoke in favor of rent stabilization. He said he hoped the Council would take the time to find facts and be tuned in to the emotions on both sides and do something that was fair, because these were tough times for both side and neither side could have a free ride. He said landlords were not asking for a free ride but some of the tenants were. He said landlords have to raise rents due to rising costs of everything e.g, trash service, etc. Mr. Mead said in reference to the tenant who spoke of paying \$800 rent and had to cut her own grass, he would rent her a nicer apartment for less than that, because he had a townhouse apartment that he was getting less than \$700 a month for because of the rent control, and he cuts his grass. He also referred to an article in the Washington Post which spoke of the tax returns and said that he would be happy to get what was stated in the article. Mr. Mead said if he received \$1,000 in income, he would pay 15.8% Social Security tax, which is \$158.00--a very progressive tax rate. He said to compare that to Maryland Tax-free bonds, why should he worry. He said that a landlord who would put his money, in property and maintenance expected a return on his money and if they did not get those returns, they buy the tax-free bonds, and he felt the Council should guarantee the landlord some return on his money and time invested. He urged the Council to be fair and give him some consideration.

Phil Kete, 7216 Spruce Avenue said that he was a homeowner and what was needed was a fair return on investment. He said if you sold a building and had to pay capital gains taxes of \$250,000, it meant you made \$250,000 on that building. He said if you invest \$100,000.00 in a building, you would want to get 15% return on your investment in a year, otherwise it would go into tax-free bonds and you would receive the same amount. But he said 15% equity is not the amount put in, but the difference between the mortgage and the current accessible rate.

Naomi Turner, 7667 Maple Avenue said Takoma Park would never be like Anacostia. She said she stood in the Council Chambers years ago and told the Council what was coming into Takoma Park, and no one would listen but Sam Abbott. She asked the Council how could it give the landlords 15% rent increase, 12%, 35%, when they think more of the outside of their property than they do of the inside. She mentioned different problems on the inside of the apartment she lives in. She said the Council was wrong and she hoped they would think about it and she asked Councilmember Hamilton why the tenants had not been informed of the rent increase.

Osborne Parchment, 719 Erie Avenue said he had owned and rented apartments since 1979 and his interest as a landlord and housing provider was to make sure that he maintained his properties in a way that they felt happy and comfortable living there. He said he had been commended by Housing Inspectors because he had some degree of success in achieving that. He said he did not do it just to maintain the property, but also to receive a fair return on the investment. He explained where the investment came from. He said he removed funds he had in his retirement system and invested them years ago, and that had been the source of his investment fund, which determined the way he would live upon retirement. He also said that he had two sons in college and the capital gains did not pay college bills or transportation expenses unless you sell your property. He said in the Newsletter there was mention of an increase by COLTA in the amount of 6%-8%, and the highest rate was

\$635 for a two-bedroom apartment, and the lowest was \$545, which compensated for the lowest rate, and it was the justification for a higher rate; the replaced roof, stove, walls, etc. Mr. Parchment said there was an idea that real estate was a big tax shelter for those who invest in it, which might have been so before the 1986 Tax Reform Law, but since then tax shelter real estate was not a big factor and the maximum that anyone could share from it was \$25,000.

Maureen Thompson, 7330 Piney Branch Road said the definition should be expanded to the cash out-of-pocket that the landlord takes on when he takes on a mortgage. She said there were some people in the community who found themselves in a position who needed the community to subsidize some of their living expenses, and that the government should not impose on private citizens. She said if there was no vacancy de-control, the whole rent control would be challenged.

Ron Waldron, 507 Elm Avenue said he owned the building that he lived in and he felt there should be no rent control on vacant units. He did not feel the current system offered an adequate rate of return for investments.

Kay Dellinger, 7333 New Hampshire Avenue said the whole process had been an example of how not to conduct government business. She said no information about the matter had been given to the residents of Takoma Park; neither tenants or homeowners had been presented with any facts and the only people who had been involved in the process were the landlords and she felt it was outrageous that in a proposed bill prepared by the City staff, there were alternatives written in the bill from the Housing Providers Association which are the landlords. She said she wanted to know who authorized City staff to write-in the landlord's alternatives in the bill. She questioned since when did the landlords make the housing laws in Takoma Park and since when did the landlords become the City Council; tenants are 65% of the population of Takoma Park - the constituents were tenants not landlords. She further said no landlord elected anyone to the City Council, and she asked where were the tenant's alternatives, and she did not care where or what the landlord's alternative was - landlords only want more rent and more money - owning housing was just a business to them and they want no constraints on how much rent they can charge. Ms. Dellinger said the landlord's only interest was to destroy the rent control law and she would oppose any alternative a landlord proposed, and she wanted to see a proposed bill prepared by the City staff that did not contain any alternative offered by a special interest group. She further stated that the tenants had not been given any information about the matter; no articles in the Takoma Park Newsletter or the Takoma Voice.

Rino Aldrighetti, 7213 Central Avenue said he first heard about the matter when he saw the City Newsletter on Saturday and he came down to take a look at the legislation, found the 11-page document but the summaries were gone and he didn't have a chance to look them over. He also said the matter was very complicated, and he was not capable of doing the kind of analysis that Phil Kete did but he appreciated the fact that he did. Mr. Aldrighetti said his experience in working with tenants in Takoma Park dates back to 1976 when he took a look at what was going on in the city, and that was before rent control--he assessed the records and found out that there was no control and also found that the price of single-family homes was going up. He said they also looked at rental properties in Takoma Park and found there was no increase in assessment because the formula was different--it was based on profitability. He said they found that no landlords in Takoma Park in 1976 were making a profit because the assessments did not go up. He suggested sending letters to the landlords because the matter was something that would affect people's lives very deeply, not only the landlord who wanted to send his kid to college, but also the tenant who wanted to live in affordable housing.

Lewis Warnasky, member of the Housing Provider's Association said that he owned a four-unit building on Houston and a six-unit building. He said the Council was well aware of the increase in basic services that landlords had to provide, and homeowners and residents were aware also. Mr. Warnasky said he was asking the Council to weigh the equities--what is a fair return for the risk involved in managing a building. He quoted information that he got from various state agencies e.g., utility rate making process. He said for the State of Maryland, the Public Service Commission had determined in the last rate case of the Washington Gas Light Company, that 12.8% was a fair return on equity; D.C. also noted for its interest in protecting the interest of the consumer, awarded the Washington Gas Light Company a return on equity 13% and Virginia awarded 13%. By way of comparison, the State of New York awarded returns on equity 11.7% and he asked the Council to bear those figures in mind because utilities were less risky than business enterprises that were small apartment units.

Jim Wong, 7710 Maple Avenue said he had lived at that address for 13 years and he wanted to give Council an update on what had happened at his building. He said last Fall, COLTA allowed his landlord to raise the rent 12% for people who were currently living in the building and 15% for vacant apartments. For the 12% or 15% you got a dirty street, the landlord would not provide them with an adequate size dumpster; trash and garbage spill onto the street. He said his walls have been peeling because the tenant above him had a convector in her air-conditioner that was not properly maintained, venetian blinds were finally replaced by a set of blinds that do not match, his refrigerator does not work properly, pipes leak near laundry room, etc. He said he did not understand how COLTA could let a landlord have such a return.

Deborah Hottel, founder of the Maple View Tenants Association, 7710 Maple Avenue said she had lived in Takoma Park for 38 years and since the 1950's, had seen the sweeping changes come into the area. She also said that soon the only people who would be able to afford the rent would be the drug people, because they are already on Maple Avenue. She said she did not understand how COLTA could approve the high increase with people out of work and on fixed income.

Lynne Bradley, 8112 Flower Avenue said she did not understand all the numbers and felt what was needed was to call the debate for what it was: the elimination of a rent stabilization policy. She said the property owners will never want rent stabilization as the rest of us do, as a way of keeping the diversity and affordable housing within our community. She said in terms of the process what was needed was to have it more open and to slow it down and recognize that not everyone was going to be happy with the process.

Tom Gagliardo said to cut the nonsense and call the meeting for what it is--a debate on whether or not to continue rent stabilization in Takoma Park. He said if this proposal passed, rent stabilization will be mere "window-dressing". He went on to say that in the handout it stated: the rents in this hypothetical building amount to \$67,890 expenses were \$57,000+ and the cash flow is just under \$11,000 and it stated in the hypothetical situation, the equity is \$250,000.00. Mr. Gagliardo said if there were to be a 12% rate of return on equity, you would have to generate somewhere in the vicinity of a 30%-35% rent increase to achieve it. He said that this is the greatest argument to defeat this proposal. He read the announcement that appeared in the Newsletter and asked the Council why weren't the citizens notified about the specifics and why weren't they told in advance.

Bruce Ross, 112 Lee Avenue, said he had lived in Takoma Park for 9 years and he was forced out of his last residence because of rent control, but it was his understanding that the loophole had been fixed and changes were not bad. He said if you got rid of rent control, rents would skyrocket and he would move out. Mr Ross said

all you have to do is go up Route 29 and see what Takoma Park would become and he did not think that anybody wanted Takoma Park to become a ghost town and have apartments that are literally making money at 50% vacancy rate.

David McSpadden said there were a lot of ways to look at an issue like this. He said it was just as easy to take the last speaker's comments and say let's go down to Anacostia or Southeast and see what Takoma Park will be like in 10 years with rent control. He said the saddest thing about rent control and the way it was being applied in Takoma Park, is the polarity that it created in the city. He said it drove an unmovable wedge between different elements of the community, and it served little good in the end if rents were to be increased. He read from the Appeals Court case of the Berkeley Rent Control, which was presently being used as a model in the Takoma Park process, and he said it spoke to both sides of the issue and he would like to see Takoma Park start looking at both sides of the issue: it was perhaps time for landlords to resign themselves to rent control because it appeared to be here to stay. No one in the foreseeable future was going to make a killing in residential rentals in Berkeley. Mr. McSpadden said that repeated piece-meal attacks on the ordinance will not bring back the good-old-days, but will only waste time and money and continue to polarize the community. He also said it was probably time for the Rent Board to recognize the one journalistic wag has been facetiously called "The People's Republic of Berkeley". Mr. Mcspadden concluded by saying that it is, in fact, a city in a state, in a nation, with a functioning market economy governed by a constitution, which guaranteed landlords a return on their investment.

Michael Mead said he would like to give an example of a law which he felt was hurting the existing tenants and would not hurt the landlord--it was the provisions that relate to vacate apartments. He said those who were here when Rent Stabilization first started, know that he came up with the words "don't let a landlord increase the rent on an apartment if the landlord evicted a tenant without cause". He continued by saying there were real nasty landlords on Maple Avenue a while back and that is why there is COLTA. Mr. Mead elaborated and said that there was a law which stated you could not raise the rent on a tenant more than once a year, but it became perverted that you can't raise the rent on an apartment more than once a year in Takoma Park, which made it a real problem. He said he had apartments where the tenants had been living there for a long time and he tried to reward his long-term tenants by keeping their rent low and getting what the market would bear when he had a vacant apartment, so the total income would cover his expenses but the newcomer paid what he felt was a fair and reasonable rent, but more than his old tenants. He asked the he not be forced to hurt older tenants by renting apartments to somebody brand new, for less than his other tenants who pay.

Michael Clinansmith said as a representative of the tenants he was able to attend legal hearings and City Council hearings and to defend the rights of tenants who are residents of Takoma Park. He said he would love to sit down with the Representative of Tarranova Enterprises, the owners of his building, and say let's talk about the problem, let's talk about some solution, let's meet half way and compromise. He also said he had tried for 2 weeks to get a meeting with their new property manager because the current property manager was leaving this month. He said that he called and asked if the tenants could have a meeting with her to discuss some of their concerns. The first response they got from the manager was that she would be able to meet with them. He said they waited and were finally informed by the resident manager who said that maybe the meeting was not a good idea. We called the current property manager twice, and inquired about the locks on the door because his apartment had been broken into, and asked if she could have a close-circuit camera installed and have an alarm put on the laundry room door. He said the resident manager never talked with

in resolving an issue of obvious importance to a lot of people in Takoma Park. He also said by merely placing Sam Abbott's name on the front of the building was not necessarily the way to honor him, and that he was in support of Ms. Porter's amendment.

Mr. Douglas said he voted not to table the amendment. Mr. Douglas said the Council had been approached initially to re-name the Building the Sam Abbott Building and were told if it did not do so there would be a petition to bring it to a vote. He noted that the current probably represented a significant compromise on the part of its sponsors. He also said the decision which came out of the worksession was not a decision in favor of the proposal, but whether or not the issue was ready for Council action. Mr. Douglas said if the Council had decided the issue in worksession, issue was yes or no there would be no need for the issue to be on the present agenda. He said that he would vote against Ms. Porter's amendment because he felt it was time to make a decision and not prolong the matter.

Mr. Hamilton commented that he was the one who came up with an alternative to name the second floor of the building after Sam Abbott and he had received several phone calls from people who did not go along with his idea. He said his constituents had also asked him about other alternatives.

COUNCIL ACTION:

The question was called on the amendment to put the issue to a referendum vote and the amendment failed 4-3. (NAY: Prensky, Elrich, Hamilton, Douglas).

Ms. Porter expressed her regrets that the referendum proposal failed because she felt it would have been the best way to get the largest number of people to have a direct say in the process. She said that without a referendum, she would do the best she could to represent the citizens of Ward 7, but she could not do a perfect job because there were many people from the Ward who were not in attendance or who had not called her.

Mr. Prensky said one of the things he had learned from the Council was to pay close attention to details. He said he became aware of the details of the additional name that was being proposed and it was extremely important that it be proposed correctly. The current naming uses the word citizen in the plural, and in the possessive to note our collective ownership of this center for citizens. Mr. Prensky said he would vote to add Sam Abbott's name to the Municipal Building.

Mr. Moore said he personally did not oppose the proposal, and if it had been put to a referendum he was not sure how he would have voted. However, he said after hearing from numerous constituents who opposed the change, he would like it to be reflected in the Newsletter, that people had not been given the opportunity to express their opinions.

COUNCIL ACTION:

The Resolution to modify the Municipal Building name by adding "Sam Abbott Citizens' Center" under the Municipal Building name passed by a 5-2 vote. (NAY: Leary, Moore)

RESOLUTION NO. 1991-27

(Attached)

2. Resolution Regarding Subdivision Plan 1-91005 At 102 Grant Avenue/Hancock Avenue

Mr. Douglas moved adoption and Mr. Hamilton seconded.

Lisa Schwartz, DHCD Community Planner, said she was recommending conditional approval based on conditions agreed to by the applicant to take immediate measures to preserve the mature and diseased oak tree that was on the lot, have the tree evaluated by a tree expert to determine whether or not the tree was viable, and if not, the

oak tree would be removed and the City would be given the opportunity to review the final plan for the property and to recommend appropriate landscaping.

COUNCIL ACTION:

The Resolution passed by unanimous vote. (ABSENT: Elrich, Hamilton, Moore, Prensky)

RESOLUTION NO. 1991-28

(Attached)

3. Resolution Regarding Special Exception No. 91-2 To Permit A Day Care at 7 Lee Avenue

Mr. Douglas moved adoption and Ms. Porter seconded.

City Clerk Jewell read into the record the names of the citizens who had called in regarding the Resolution: Janet Douglas, 18 Sherman Avenue, called to express her opinion that 30 children was too many to admit at 7 Lee Avenue; Ann Williams, 16 Sherman Avenue, expressed concern about the number of children that could potentially be permitted; Joan Simmons, 8 Sherman Avenue and said that while she did not consider the current day care facility burdensome, she was opposed to the proposed expansion of up to 30 children.

CITIZENS COMMENTS:

Kathleen Green, Director of the 7 Lee Avenue Day Care Center She noted in her possession was a petition consisting of 100 names in support of her request. Ms. Green said there was a need for day care in the community because 60% of her children were subsidized, and although most of the time she was not paid by the parents, her fees were 20%-30% below the average rate. She asked that the Council favorably consider her application.

Mr. Douglas asked Ms. Green if she was operating a 14-child day care center in the basement of the property, and questioned if there were three rental units as well in the building, and if the exception was granted, would she utilize one or more of the apartments, and how would she handle parking for her employees.

Ms. Green responded that she would utilize additional apartments for her day care center if the Resolution were approved for her to provide day care to 30 children. She said she would not have to provide parking because none of her employees drove a car. Ms. Green said that paving of the front yard was not relevant anymore and that she had spoken with the zoning officer and informed him she had two employees--one travelled by bus and the other walked.

Lynne Bradley, 8112 Flower Avenue said she was not familiar with the property but said the tone of the discussion sounded less supportive than she felt it should be when there was such a critical need for day care in Takoma Park. She said there had been a similar situation in her neighborhood and she had heard no complaints; only good responses in reference to the day care center.

Eileen Basaman, Attorney for Residents at #9 Lee Avenue, said that you could not tell by the proposal that had been brought forth whether or not all the requirements had been met for the day care center. She said that you had to know the age mix of the children and the staffing requirements; the age mix of the children determines the kinds of staffing requirements that would be needed. Ms. Basaman said that the use of on-street parking was a waiver which was only permitted in a day care center for 7-12 children by the Zoning Ordinance and therefore you could not count on on-street parking. Ms. Basaman stated that on-street parking was severely constrained on Lee Avenue: there was no on-street parking across the street; a fire hydrant, a piece of ground in front of 7 Lee Avenue which was too short to park a car in by the day care center, meters taking spill-over commercial parking from Carroll Avenue,

Mr. Hamilton said he had written a letter to the Council six months ago about Article 7 and how to get the word out to the tenants. He asked how do you get the information to 60% of the people in the city--the largest group of people that it would affect. He said it was the same with the landlords. Mr. Hamilton said that another issue was to have a formula based on how to come up with the regular rent stabilization rate. He said you have to come up with a rate across the board in order to be fair to everybody, and although it would be very hard to get the information to the tenants, it was a necessity. He said the tenants in the city had a right of notification, and the notification right to the tenants had not taken place, and although he had addressed the issue, it still had not taken place.

Mr. Moore said that some people did not hear about the issue and maybe that was why so few people had addressed it. He said the process for that increase petitions as in operation now, but it was a different process which was going to be improved and made more specific. He also said there was very little participation in formulating a new procedure from tenants who were interested in preserving affordable housing in the city, and if there was more participation from other points of view on the spectrum, maybe that could have been up for debate.

Mr. Prensky said that he was disappointed with the limited perspective that the Council was presented with in terms of the proposal before them. He went on to say that he had devoted time in studying the issue and he would like to see the Council come up with other options. He also said he was attracted to the idea of getting some of the basic statistics out to the citizens and Council and said he would like to know about all of the people who had requested increases beyond the rent stabilization rate since one had been established. Mr. Prensky said he would like to know what percent rent increase was requested, what percent had been granted and how many times each individual had requested a sequential set of increases. He said he wanted to know the history of sales of multi-family housing in Takoma Park for 10 years and he also wanted to know about the bankruptcies building owners had mentioned. Mr. Prensky said that he was biased since he had been a renter for 42 years of his life, and he would like to correct a misconception that he heard; the Housing Providers Association seemed to think that they were in business to provide a service, when if, in fact, each and every member operated their building as a not-for-profit organization, they would be in a position to provide a service. He also said tenants needed an equitable situation in which to operate where nobody was losing money and nobody was getting ripped off. He further said there were ways around the increased fees--having the buildings that consistently had no code violations when inspected and would not need to be inspected every year; only every two years. He said he was interested in examples of proposals that base their calculations on the owner's investment and capital they were putting up from their pockets, and also he was interested in providing a fair and reasonable return on the money and labor landlords put in. Mr. Prensky said he was not interested in proposals that rewarded landlords for increases in assessments, nor was he interested in proposals that rewarded landlords for increases in the cost of living that go beyond the normal rate of inflation, and proposals that reward landlords for the fact that property by and large over time, continued to increase in value and what was experienced was a down turn in economy, as far as he could tell, and a decrease in the rate of the increase in property not a decrease in the value of their property. Mr. Prensky said he would encourage the idea of the building owners and tenants to sit down together and meet on a less adversarial basis.

Ms. Porter said she found the comments from citizens very helpful to her and she got a feel for what people's concerns were. She said that she hoped the Council would get additional information

and be able to consider the issue, and she felt everybody would find it at least acceptable.

Mr. Leary said that there is a long way to go, and he did not hear a persuasive argument from any speaker in the audience who was in favor of the proposal before the Council. He also said the Council should not presume to make a decision on the matter without another Public Hearing.

Mayor Sharp said there was no argument because there was no proposal, and as Council knew, there were a number of major policy decisions unresolved. He also said the 12% on equity was too high in his opinion, but he did not know what the right number was, and that was why an "X" was in that space. He said he was aware that the Council had been advised to move rapidly on the issue, but it was not possible. He said however, it was an item that this Council should finish along with changes in Article 7 including the Rent Stabilization levels, he would propose to keep that in mind as the Council moved forward. Mr. Sharp also said that Tom Gagliardo's decision to put alternative positions in the Newsletter was a good idea, although he was not sure what the process would be to generate those viewpoints. Mr. Sharp also noted there would be no July Newsletter, but there would be one in August and September.

Mr. Sharp informed Mr. Wilson that the Newsletter deadline was not correct; it would have to be changed to May 31st, because the Newsletter would have to come out a week before there was Public Hearing on the Ward boundaries. Council wanted to use the June issue for the distribution of the proposal for the new Ward boundaries and he said the First Reading of the Ward boundaries was scheduled for July 8th and second reading would be July 29th.

Ms. Porter asked if it would be possible to put something in the Newsletter that would outline the issues without giving a substantial analysis of different options, because that would be helpful.

Liz Tracey responded that an article would be written by an official from COLTA about the present issues before the Council and the deadline was May 31st. She said that the articles in the Newsletter would explain what it was that Council was considering.

Mr. Elrich said Council needed to discuss what it wanted rent control to do--what should the objective be.

Rino Aldrighetti said it appeared to him that what had been happening over the last several months was that there was a twist to some of the stories to create citizen interest, and whatever was done would be deadly because it was a complex issue. He suggested organizing with tenants, landlords and COLTA.

Mr. Douglas said in addition, one of the things that needed to be in Newsletter was some sense from Council about the schedule, so people received notice, and one of the things that needed to be done was to determine the schedule for people to make public comments.

Mr. Leary said that the August Newsletter would be the best time to debate the issue as widely as possible, and by that time, the Council would have had time to frame their views or proposals more definitively.

Joseph Cook, COLTA Commissioner said he would be writing an article to put in the Newsletter and he planned to write an article about what the Council, landlords and tenants have said. He said he was not biased towards the landlords or the tenants because he lived in a group house.

Lynne Bradley suggested having a roundtable discussion and see how many participants there were, since there would be so many different opinions.

Mr. Douglas disagreed with Ms. Bradley, but said he did agree that Council needed to be as multi-dimensional as possible.

Mr. Elrich said the Council could consider spending extra money for the 4-page supplemental in July or a 4-page addition which was planned for August.

Mr. Prensky said he was concerned that what the Council was aiming for was a larger discussion of opinions than what had been expressed at the meeting, and he did not feel that it was needed to move to a more technical solution. He said he felt that the Council should be moving more towards a series of options that had been mentioned by Mr. Elrich in a particular article, or get someone who was an expert on housing on the more technical options. He said technical details were needed to discuss the merits of those cases and Council needed to address the implications of different models of affordable housing.

Mayor Sharp said that the Housing Committee has had at least two technical presentations, and as much as what was presented was criticized, the fact was that is what came out of the deliberation. The Committee left options where it knew the Council would have hard policy choices. But the Committee started with those which had been around since the beginning of the rent control.

Mr. Prensky said that there was a very good model at present based on equity calculations, but not any approach that was based on average rate of return or based on other approaches that were as fully fleshed out as the present one.

Mayor Sharp agreed it would be a lot of work, and questioned whether staff should go back and re-do all of it from two or three different perspectives and present them as a technical presentation as had been done with the present one.

Mr. Douglas said he felt it would be a good idea to have the background and the origins of the approach at worksession and he shared Mr. Prensky's desire for information. He said he did not feel that the Council would get the information nor did he feel that he would be in a position to know by looking at a series of numbers. He said he would have to understand how the models worked and he would have to get some sense as to what he felt would be the best policy decision and base it on as much analytical data as possible. He also said to accomplish this, it would be costly, and he would be comfortable making the policy decision if he had the benefit of a more technical presentation.

Mr. Prensky said he was not sure that having a more technical background would be the answer in a worksession or a regular Council meeting. He said there may be value in having that expert or series of experts give the presentation in a forum of a public hearing to explain the basic model that worked on equity.

Mayor Sharp said he would speak with staff and see whether or not he could get the presentation set for July 29th, and in the meantime, staff would be directed to get more information out.

Upon motion made and seconded, the Council Meeting adjourned at 11:04 p.m. to reconvene on May 28, 1991.

CITY OF TAKOMA PARK (FINAL 7/26/91)
Regular Meeting and Public Hearing of the City Council
Tuesday, May 28, 1991

CITY OFFICIALS PRESENT:

Mayor Sharp	
Councilmember Douglas	City Administrator Wilson
Councilmember Elrich	Asst. City Admin. Habada
Councilmember Hamilton	City Clerk Jewell
Councilmember Leary	Personnel Officer Hobbs
Councilmember Moore	Public Works Dir. Knauf
Councilmember Porter	DHCD Director Grimmer
Councilmember Prensky	

The City Council convened at 8:10 p.m. on Tuesday, May 28, 1991, in the Council Chamber at 7500 Maple Avenue, Takoma Park, Maryland.

Following the Pledge of Allegiance the Mayor made his remarks.

MAYOR'S COMMENTS

Mr. Sharp commented that the Elections Task Force had been meeting frequently since January, and at the present time they were in the process of developing their final recommendation on redistricting the City's ward boundaries and would present their recommendations to the Council on June 18, 1991. Mr. Sharp said there would be a second Public Hearing on July 8th to receive citizens' views about the Council's recommendations regarding redistricting. He also said that prior to the June 18th meeting, the Newsletter would be published and would contain information pertaining to the new Ward boundaries that the Task Force proposed, as well their recommendations on the proposed Charter changes.

ADOPTION OF MINUTES FROM MARCH 25, 1991

Councilmember Hamilton moved adoption and Councilmember Moore seconded. The minutes were adopted unanimously.

CITIZEN COMMENTS (those directed at items not on Council's Agenda)
Raymond Messick, member of the Takoma Park Lions Club said he was at the meeting to make a presentation to the Takoma Park Boys and Girls Club. He said the Lions Club was active in the community, helping with the City's Halloween parties, the 4th of July celebrations, helping out at the Washington Adventist Hospital, and also helping to obtain eyeglasses for the needy. He said that he had been a member of the Lions Club for 40 years. Mr. Messick proceeded to present a check in the amount of \$1,500.00 to Carl Smith, the Fundraiser Coordinator with the Boys and Girls Club, to help them with their activities. He said that the Lions club also gave scholarships to students in Takoma Park because the Lions Club members enjoyed seeing the boys and girls of Takoma Park receive the benefits of the Club.

Carl Smith, Fundraiser Coordinator, Takoma Park Boys and Girls Club thanked the Lions Club for the donation and he also thanked them for their past support.

Mayor Sharp said that he enjoyed coming to the Lion's Club in May and meeting Mr. Messick and he hoped that he would be invited back again.

ADMINISTRATIVE REPORTS

1. Resolution Approving the Development of Cooperative Housing at 7611 Maple Avenue to be Financed, in part, by CDA of Maryland (Requested by State)

Mr. Hamilton moved passage of the Resolution and Mr. Elrich seconded.

Mayor Sharp said the City had been extensively involved in the efforts of the tenants at 7611 Maple Avenue in purchasing their

building to run it as a limited equity cooperative. He said the tenant leadership in the building had been cohesive in the face of unbelievable hurdles in getting the funds to pay for it, but through extensive political efforts, the tenants had found support from the Community Development Administration (CDA) in Maryland, and the CDA was interested in supporting it, but as part of that support, they look to the local jurisdictions to see the degree of support they would receive. He said in Takoma Park their effort was overwhelming, and they would love to see this accomplished, which would be a starting ground for other efforts of this kind in Maryland and he said he approved of it wholeheartedly.

Mr. Elrich said it would be nice if they could get to a point with the CDA and some of the other state and local agencies and work pro-actively and cooperatively in accomplishing some of this so that tenants in other buildings would not have to struggle like the tenants at 7611 Maple Avenue.

Mr. Prensky referred to the memorandum before the Council at present and asked what was the current status at Hampshire Towers.

Mr. Wilson said that from his perspective, that particular request and effort came apart because there was no cohesion and consolidation of effort on the part of the renters in that facility, (which was a very large one). He also said that a few years ago he had a meeting to discuss the issue, and there had been no joy in the prospect of older citizens or retired persons, who had sold homes, to get out from under the burden of owning property.

Mr. Prensky asked about the third whereas clause in the Resolution where it spoke of "...attempt to provide capital for families of lower income in the project". He questioned what was the purpose of the capital.

Mayor Sharp responded that one of the efforts of the capital was to provide down payment assistance for families who did not have savings.

Mr. Prensky proposed to amend the resolution to insert after "capital for" the words "down payment assistance for families of low income".

Mr. Hamilton said that a lot of credit was due to the HOC because it showed that Takoma Park and a county agency could work together to make positive things happen.

Mr. Wilson said that the question Mr. Prensky raised was probably embodied in Sections 83(b) and the sequences thereafter, Article 838, and without having the specific language he was sure that the reference covered it.

COUNCIL ACTION: The Resolution passed unanimously.

Mr. Moore commented that there were a lot of people who worked hard for a long time on the Hampshire Towers project, which would have been the largest cooperative housing project in Maryland and that the current economic climate was not successful, but it did not undermine how long and hard the people had worked on it and they had accomplished a lot.

RESOLUTION 1991-50
(Attached)

2. Presentation from Montgomery Preservation, Inc. - Award to the Historic Preservation Task Force and the City Council

Ian Spatz, member of the Historic Preservation Task Force of Takoma Park came forward to present the award in recognition of the Task Force's work--the 1991 Preservation Award, for coming up with a

consensus position to present to the County and the Planning Commission on Historic Preservation in Takoma Park. Mr. Spatz also said it was a good opportunity to thank some of the people who were involved in the project. He said first of all, he would like to thank Carl Iddings (who was unable to attend), who was the leader of the Task Force. He also thanked Mayor Sharp and the Councilmembers for appointing the Commission, and City Staff members Robin Ziek and Lisa Schwartz for all the hours that they put into the process. He also said it was very nice to see that they came up with something that was recognizable by many other people who were concerned with preservation.

3. Public Hearing - Constant Yield Tax Rate

Mr. Elrich moved to convene into the Public Hearing and Mr. Hamilton seconded the motion.

Mayor Sharp called the Public Hearing to order. He said the Constant Yield Tax Rate was in compliance and pursuant to the provisions of the Annotated Code of Maryland, Sections 2-205 and 6-308 of the Property Tax Article. The Mayor said if any local government had the intention of exceeding the tax rate which was established by the State Department of Assessment and Taxation, they would have to let that be known beforehand. He also said that Takoma Park was required by State law to announce the Public Hearing, which had been done legally through an ad placed in the Montgomery and Prince George's County Journals on May 22nd. He continued by indicating that the proposed tax rate of \$1.773 per \$100 of assessed valuation for FY'92, which was advertised on May 22nd, exceeded the rate that would be required to yield the same amount of property tax revenue as the prior year; the \$1.773 tax rate would produce more property tax revenues because of the increase in assessed values and property; and therefore, the constant yield rate, which was based on increased assessed values, would be \$1,636 in Takoma Park. He concluded by saying that the Council would set the tax rate at their regular meeting on Monday, June 10th at 8:00 p.m. and any comments from citizens would be considered during their deliberations prior to its final adoption.

CITIZEN COMMENT

Carl Smith asked what would the money be used for.

COUNCIL COMMENTS

Mr. Elrich responded that the money would be used for a combination of things; pay raises for City employees; rising expenses for health care and its associated costs that go with employee benefit packages; recreation money had been added, and the Municipal Building renovations.

Mayor Sharp said to keep in mind that there were three components to the tax rate; the general city expenses, fire tax rate and the storm water management tax rate. He explained that the tax rate for city expenses last year was \$1.455 and this year it was \$1.466, an increase of 1.1 cent; the tax rate for purpose of fire protection last year was 27.8 and this year it is 22.7; the tax rate for purpose of storm water management last year was 4 cent and this year it is 8 cent. He also said that this should be kept in mind in terms of citizens analyzing what it was the Council would propose in its budget, and there would be a discussion later on storm water management.

Mr. Prensky said there was a difference between the tax rate that was constant from last year to this year, and the effect it would have with equivalent of 13.7 cents increase in taxes and in terms of what that constant tax rate would produce in higher assessed value and larger revenues for the city. He also said that without changing the rate, there was the effect of almost a 14 cents increase. He said he believed that Council was considering a 5% COLA increase for the Takoma Park employees, and none of the other Maryland counties had been able to do that.

Hearing no further citizen comments, Mayor Sharp brought the Public Hearing on the Constant Yield Tax Rate to a close.

4. Public Hearing on Municipal Building Renovation Project

Mr. Elrich moved to convene into Public Hearing and Mr. Douglas seconded the motion.

Mr. Wilson said he had asked Mr. Knauf to arrange with the architect, Mr. Lipman, to make a brief overview statement concerning the development of the building project.

Brandon Lipman, Lipman-Davis Architects showed the diagrams of the proposed plans for the Municipal Building and Police Department renovations. He said that the project started 14 months ago with programming for the Police Department, which expanded in September 1990 to include the entire Municipal Building. He also said the basement level had accommodated an expansion of the Police Department fully into the basement under the Council Chamber wing of the building, which facilitated some expansion of the Housing Department, and a reorganization of the upper level of the Police Department. Mr. Lipman explained that the floor plan remedied the previous situation of overcrowding. He quoted the footage for each department: DHCD 865 square feet; under the new plan 1320 square feet; Police Department current square footage 3890, the new plan yielded 7450; no change in the Recreation Department, and the Accounting Division would get 100 additional square feet. He said the Council had granted a \$425,000.00 cap for the entire project, including moving and all the incidental construction items. He said the construction budget bid was \$328,000.00.

Mr. Douglas asked about the schedule of the renovations.

Mr. Knauf said he would receive a notice to proceed in a couple of days; would be meeting with contractor in 10 days, and would be ready to break ground in 2-3 weeks. He said construction would take about 4 months.

Mr. Prensky asked about the shift that would be necessary in different departments and the disruption of community use of the meeting facilities, and what kind of dislocation was expected.

Mr. Knauf responded that there would be meetings to discuss those particular issues, but the disruptions to the employees and citizens would be as minimal as possible.

Mr. Wilson said in terms of the transition space on the second floor of the Municipal Building there was space in the back, known as Meeting Room No. 3. He said when the basement was done, the police have to come out, and some of them would be moved to Room No. 3 until the basement was complete. He continued by saying once the basement was complete, the Police Department will use all of the rooms, while the first floor was being done in its entirety. He also said the Housing and Recreation Departments will lodge themselves in the space in Room No. 3. Mr. Wilson there would be discussions with staff about their temporary placements, and there would also be space in Rooms 1 and 2 as well. He said there would be construction interference also and somewhat of an ordeal when the excavation is done. Mr. Wilson said whatever would be done, would be within the guidelines of OSHA to maintain an environment that would not be threatening to anyone.

The Mayor asked whether or not the Recreation Department sent notices to all the community groups about rescheduling the use of Municipal Building space for meetings, etc.

Mr. Wilson responded that would be done in the next two weeks.

Ms. Porter remarked that she was still getting mail as the SOSCA Neighborhood Association president, and she had received a note from the Recreation Department informing her that the Municipal

Building would not be available to community groups over the summer months.

Mr. Douglas said that he had been asked by one of his constituents about the heating, and would the heating or cooling system be changed in any way and if Council was doing its part to be energy-efficient while the renovations were going on.

Mr. Knauf responded that the existing system was built with surplus and they would be making use of that surplus in both heating and cooling. He said the walls would be insulated to make the building more efficient. He said very efficient mechanical systems were being used also in the basement and nothing was used that was more unusual or more expensive.

Hearing no citizens comments, Mayor Sharp called the Public Hearing on the Municipal Building renovations to a close.

5. First Reading of FY'92 Budget Ordinances:

5A. First Reading Ordinance - FY'92 Stormwater Budget

Mr. Elrich moved that the Council convene as the Water and Sewer Board and Mr. Prensky seconded the motion.

Mayor Sharp commented that 8 cents was being allocated to the Stormwater Budget which was anticipated to raise \$208,000.00+, and the budget was for \$205,000.00 with the indication that any money that would be left over that was not spent, would go into the Stormwater Capital Reserve.

Mr. Douglas said that the study of the condition of the system that the Public Works Director had proposed to be done in the Westmoreland area was not listed as a program item for Fiscal Year '92, and it was his understanding that the \$60,000 for cleaning the system was a high end of a range of estimates.

Mr. Prensky said that the budget did take into account the \$73,000 for the standing problems of 8 years of stormwater collections in the Westmoreland area and there would be a section of the system built that was not currently in that area. He also pointed out the fact that the \$25,000 system update would give the citizens some estimation of the potential needs for extending the stormwater management systems in the area that did not have any, as well as giving a better view of the overall condition, and the projected life for different parts of that system, which would allow the Water and Sewer Board to be better educated about its responsibilities.

Mr. Douglas said it was his understanding that the \$65,000 capital improvement and the \$8,000 engineering services were the Council's estimate of what would solve the problem, and he questioned whether they were to pay the full cost of solving the problem, and was it still their intention of recouping appropriate costs of responsible parties, and if there were no responsible parties, who would pay the full cost, and if there were responsible parties, would the Council assume cost-share or cost-recover from that, and not need to spend any of the City's money.

Mayor Sharp said with regard to the 8 cents; when Takoma Park took over Stormwater Management responsibilities 2 years ago, they had two choices--either take it over or go into the Prince George's system. He said they went into the Prince George's system, and their stormwater management tax rate was over 13 cents, because they paid for capital improvements throughout the entire county, and at that point, Takoma Park was being assessed at a rate of 4 cents, which was the Montgomery County rate. He went on to say that when they took it over, they assessed themselves the last year at 4 cents, and that 4 cents was not based on any budgeting as to stormwater management need in Takoma Park. Mr. Sharp said this is the first year where the Council had looked at the budget in a serious way to figure out what the stormwater management need was.

Mayor Sharp also said that there was one potential cost to the City with regard to the problem on upper Westmoreland Avenue, which was a one-time cost and would not be in the budget next year. He concluded that as a result of the study that would be done, there may be additional expenses that come up in the future, and it was hoped that this year's rate would not have to be repeated next year, although that would not be known until a system-wide analysis was done.

Mr. Moore said that the second most expensive item in the Stormwater Management budget was a complete cleaning of the system which was hoped to lead to lower bills to cleaning the storm sewers in future years and be done on a yearly basis.

Mr. Elrich said this was the year that Council would be looking into alternative funding on Stormwater Management.

COUNCIL ACTION: The Ordinance was unanimously accepted at first reading. Mr. Douglas moved adjournment of the Water and Sewer Board.

ORDINANCE NO. 1991-11
(Attached)

5B. First Reading Ordinance - FY'92 City Budget
Moved by Mr. Douglas and seconded by Mr. Hamilton.

Miss Habada said that Mr. Douglas had pointed out to her that she had double-deleted an item under Public Works; \$15,000 recycling costs, recycling containers, and she deducted that out of capital improvements and also deducted it out of their equipment, and the \$15,000 needed to be added to the Public Work's line item, so the figure would read \$2,492,117.00 which would change the total expenditures to \$8,503,247.00.

Mr. Elrich asked if the salary figure for this year had lapsed.

Miss Habada replied no. She said they would be doing a budget amendment to clean up the final figures for '91 with first reading which would take place on June 10th and second reading on June 24th, and she would have the figures at that time.

Mr. Douglas said that as an editorial matter, the phraseology '91- and '92, was used and he suggested getting rid of that and making it consistent. He said the Charter spoke of fiscal years named after the year in which they started, and it was very confusing to people when they tried to figure out which year the reference was for.

Mayor Sharp indicated in Section 5 where it stated: the City Administrator was authorized to allocate \$8,929,000 of unappropriated reserves, to the equipment replacement reserve for a total equipment replacement reserve allocation of \$55,929,000. He said it did not indicate where the rest of that was coming from, and he said that section was confusing because it did not state how the rest of the money arrived.

Miss Habada said that they would provide that line.

Mr. Leary moved to reduce the city tax rate by an amount that equals 2.1 cent and reduce other lines accordingly; Mr. Moore seconded the motion.

Mayor Sharp explained that the proposal before the Council was to reduce the revenue section by an amount that equaled a tax rate reduction of 2.1 cents.

Mr. Leary said that the effect on the City budget was a reduction of \$55,000 in the unappropriated reserve figure, which was within the level of prudence, and for that reason, he felt that the

Council should take advantage of the circumstances that permitted them to reduce the tax burdens on the citizens of Takoma Park who bear one of the highest tax burdens in Maryland. He also said that the original proposal was proposed was a tax increase on citizens of roughly 8.9%, which was not an inconsiderate increase. Mr. Leary said that the symbolism was that whenever there was an ordinance to reduce the tax burden on the citizens who bore them, they should take advantage of those circumstances. He also said that he felt the budget was a responsible and prudent one. Mr. Leary said in support of the proposal, a \$55,000 level of unappropriated reserve, in conjunction with a general contingency fund of \$160,000, was a safe and prudent level to allow for unexpected expenditures. According to the new Charter, only 1/3 of the mandated general contingency fund of 2% may be spent at the discretion of the City Administrator, and the remainder may be spent only pursuant to action by the Council. He concluded by saying in effect, the remaining 2/3 operated as unappropriated reserve; part of money set aside to cover unanticipated expenditures.

Mayor Sharp said that the Police rebate that was received 3 years ago, eventually filtered into the budget considerations. He said from FY'90 to FY'91, the tax rate was reduced by 5.5 cents and there was also an additional amount of income that was received from Montgomery County. Mayor Sharp said he felt it took a while to get a clear picture of what to expect the revenue to be, and he did not feel the history of the Council was to take the money and run. He concluded that he was not opposed to reducing the tax rate to some degree.

Mr. Douglas said he was concerned about the 2.1 cents and 1.1 cent also, because these were very uncertain times in terms of revenues. He said Takoma Park had been lucky this year and had been able to expand and not cut programs, but he was not sure about the rest of the year. Mr. Douglas said it made him nervous by having only a \$50,000 flow in case the revenues significantly fell off. He said there was a significant revenue item in the budget that was not certain, which paid for a significant amount of programs in the budget, and if for some reason, that revenue item did not materialize, the unappropriated reserve would be wiped out, which would be left as a result of Mr. Leary's suggestion. He continued by saying his preference would be to keep the tax rate as is, and keep the revenue as is, but he would be willing to support a reduction equivalent to 1.1 cent if it was necessary.

Mr. Elrich said the major expense was the Municipal Building which would not be an expense next year. He also said he did not agree in arguing about things which might happen in the future.

Mr. Prensky said that in the middle of FY'91, the Council was asked to increase the budget by \$250,000.00 to accommodate the initial projection on the potential cost, and the Council was willing to do that with the understanding that there was a buffer in the unappropriated reserves. However, later the Council understood that the cost of renovating the building would cost more; more on the order of \$425,000.00, and Council committed itself to spending that money without knowing where the additional \$175,000.00 would come from. He said the money was found to be in the unanticipated reserves for FY'91. He said it appeared to him that every year, there was a more public acknowledged policy on the part of the city staff to present Council with conservative revenue projections, and more realistic expenditure projections. Mr. Prensky reminded Mr. Douglas that last year, when he told the Council that if they cut the tax rate by 5.5 cents, it would be back raising city taxes, but the opposite was true; there was a debate on how much to cut. He concluded by saying that he was in support of Mr. Leary's proposal.

Ms. Porter said that she shared many of Mr. Leary's concerns about the uncertainties in the budget. She also said that she would like to remind citizens that none of the numbers contained in the budget

were certainties; they were only estimates. She said because of the economic uncertainty and the uncertainty in the two counties, Takoma Park may be put in a position where things that had not happened in the past, may happen this year, making the projections less sure. Ms. Porter said it was wise not to cut the reserves down to the point where it put you in a bad position if your estimates were uncertain in an uncertain year. She said she could see the argument for 1.1 cent on the tax rate being a windfall to the city, but there could be an argument in equity for returning the 1.1 cent to the taxpayer and she could support that proposal, but she did not feel that Council could be responsible and return more than 1.1 cent in the tax rate. She also said that for the first time this year, Council was inaugurating a tax rebate program for low and moderate income property taxpayers in the city, which would eliminate much of the tax burden on some of the low and moderate income owners in the city.

Mr. Moore said he agreed with having a cushion, but he said the Council had been very much conservative in the estimates on the revenue, and he felt safe with Mr. Leary's proposal of 2.1 cents reduction in the rate. He said that he did not think that the reserve would be depleted at the end of the year either. Mr. Moore also said that there were a number of things that could come out as a benefit, e.g., Municipal Building renovation; already there would be less costs than was set aside on the order for thousands of dollars. He said with regards to the revenue item which Mr. Douglas discussed, it was within the Council's power to make it come out higher than it was currently budgeted for. He also said that with the economy, it appeared to him that the revenue sources did not seem to be quite as subject to the fluctuations that the counties and the states were, and he was not sure that Council should be budgeting based on that fear, until a sign of that happening was obvious. Mr. Moore said that after Council had asked the Prince George's County residents to be willing to subject themselves to a tax increase to save programs in the county, he felt that Council should be willing to make cuts themselves to help make the burden less on them for the high taxes that they would be paying next year. He concluded by saying he would support the 2.1 cents cut in the rate as Mr. Leary proposed, and he felt confident that the next Council would do what it had to do; if it had to raise taxes to meet expenses, it would do so, but should not budget this year for fear of having to make a raise next year to compensate for what was being done at the present time.

Mr. Douglas said the record was clear that the city was not paying for the Municipal Building renovations in this year's budget, but he felt that it was a good illustration of a number of problems that the Council had been able to solve over a number of years because it had saved money; had money in reserve and been able to do extra work on the city streets well before it got into the bond-selling business. He also said that he was surprised that after a year he predicted the taxes would have to be raised and it didn't happen. But he said there was at least \$200,000.00 worth of revenue in this year's budget that was not equivalent to last year's budget, and if that \$200,000.00 was not in this year's budget, we would not be providing the level of services or we would be raising taxes, and some of that revenue would be ongoing next year and some would not, and he urged the Council to not get itself into a position where there was no maneuverability and no flexibility in which it would be constraining services, or looking at reducing services in mid-year if the bottom should fall out. Mr. Douglas also said he was sympathetic with the argument that the 2% contingency reserve which was called for in the Charter did not work very well, and should be changed. He said, he had a proposal which he would share with the Council and with the public on June 18th, to amend the Charter to eliminate that, and provide a different way of doing business, and that it would help solve some of the problems entirely. He said that his philosophy in offering the Charter amendment, was still to provide an adequate cushion for the Council to absorb revenue shortfalls and to meet needs, but he

did not intend to submit an amendment to the Charter to cut the bone.

Mayor Sharp asked if the contingency was for use for budgeted items, and had its use over the last year been on budgeted items.

Mr. Wilson responded yes, and the additional revenues that had been drawn from unappropriated reserve had come from efforts that the Council wanted in response to citizens during the course of the year.

Mayor Sharp asked how much was there left over in the contingency reserves from year-to-year, and was it all used up every year.

Mr. Wilson responded that it was almost used up every year, because at the end of the year you end up having to balance between departments, which was not done during the course of the year.

Mayor Sharp asked was it expanded for the budget. Mr. Wilson replied no.

COUNCIL ACTION: The Amendment carried by vote of 5 to 2. (NAY: Douglas and Porter). The Council continued discussion on the Ordinance, as amended.

Mr. Douglas said one of the problems in the budget process was that there was a Public Hearing where a few people came and talked with Council about their favorite programs, and a lot of time was spent in worksession talking about Council's favorite programs, and then the Council had perfunctory discussions at the Council meetings, and never had a good recitation in the record as to why it was being supported. He said he would like to express his views for the Public Record. Mr. Douglas also said that the process had been one of the most important differences this year. He said the Council started out with and made a special effort to get out to citizens and citizens associations to talk about city services and city budgets, and he was able to go to over half of those meetings which he found to be very helpful. He said the other item was the budget, which had been discussed in terms of different programs, rather than line items, but he was disappointed to see that the material for the meeting did not include any information about programs. Mr. Douglas said he found that very backsliding, and he hoped the Council would at least, for the public record, at second reading, have a list of the departments, and the programs in those departments, and the funding proposed by program, so as to see programmatically what it was that was being proposed in this year's budget and have it in the same context discussed in worksession as was discussed in Public Hearing. He continued by saying he felt that on the downside of the program budget, there were a lot of presentation problems which confused some Councilmembers. Mr. Douglas said he did not have anything but positive criticism for staff on how to do it better next year, and he would also write notes and give them to staff. In terms of the budget, he said there were a number of things that could be accomplished in this year's budget to be proud of, e.g., police moving to their community-oriented policing system, and the recycling program expanding to picking up plastics and waste paper, etc. He also said that by adding another dispatcher to help alleviate the dispatching problem was another accomplishment. Mr. Douglas concluded by saying he felt that there were other major items which Council and staff needed to explore, and time was needed to work with staff on those items, and although he voted to cut the unappropriated reserve in the last amendment, he felt that the present budget was very good and he was proud to carry it back to his constituents.

Mr. Leary said that he commended Mr. Douglas for his helpful analysis of what the Council had done, and it would be very useful to have it added to the public record, and that he concurred with Mr. Douglas' general observations. He went on to say that he was

pleased with the additional laborer to the Parks Department, because all agreed that it was a responsibility that had been fulfilled insufficiently in recent years.

Ms. Porter said she agreed with Mr. Douglas and Mr. Leary by saying that the present budget was good and well-rounded. She also said that in the budget, one of the programs that had been agreed upon to fund was the expanded recycling program, which picked up plastics and waste paper. She also said that as a result of the decision, trash was being picked up once a week instead of twice a week. She concluded by saying there would be a briefing on some of the recycling issues which would follow the budget discussion, but there were some outlines of the recycling program which they have had to make a decision on in conjunction to the budget, and if people had thoughts about it, this was the appropriate time for them to discuss it.

Mr. Douglas said that was one of the items in which everyone learned a lot about at the meeting of the Citizen's Association before the budget process formally began. He said the Council knew what was going to be proposed in the context of the budget, and while there were some people who showed concerns about some aspects of it, and he felt comfortable that the Council was able to get the word out to the citizens.

COUNCIL ACTION: The Ordinance, as amended, was adopted unanimously.

ORDINANCE NO. 1991-12
(Attached)

5C. First Reading Ordinance - FY'92 Tax Rate

Moved by Mr. Douglas and seconded by Mr. Hamilton.

Mr. Leary moved an amendment that the Municipal Tax Rate be reduced by 2.1 cent making it 1.752, and Mr. Prensky seconded the motion.

COUNCIL ACTION: The Ordinance, as amended, was accepted at first reading, by a vote of 6 to 1. (NAY: Douglas)

ORDINANCE NO. 1991-13
(Attached)

5D. First Reading Ordinance - FY'92 Employee Pay Plan

Mr. Hamilton moved adoption and Mr. Elrich seconded.

Mr. Wilson said that the Ordinance was in response to negotiated contracts as it related to the COLA and the estimates that were used in the budget reflected it and it also reflected the possibility of merit increases, not necessarily to be granted in all cases. He also said as far as the employee's pay scale was concerned, those were the highlights and there would be more discussions about the Executive Pay Plan.

COUNCIL ACTION: The Ordinance was unanimously accepted at first reading.

ORDINANCE NO. 1991-14
(Attached)

5E. Executive Pay Plan

Adoption was moved by Mr. Hamilton and seconded by Mr. Douglas.

Mr. Wilson said the particular pay plan reflected a 4% increase in its base to reflect a COLA. He said in addition to that, there was a potential for a 5% merit increase to be determined by the City Administrator, and those were included in the budget, not necessarily to be spent to the limit which the budget reflected. Mr. Wilson said there had been some technical changes in the pay plan as well.

Mr. Prenskey said there were a number of terminology inconsistencies in the employee's pay plan--references to merit increases, which were in fact, step and longevity increases; he questioned if that was correct.

Mr. Wilson responded that increases were reflected in steps and were given on the basis of merit.

Mr. Prenskey asked if you had to qualify for your step increase which was pre-ordained in the plan that was before Council.

Mayor Sharp replied however automatic they were granted, the fact was, they were based on performance evaluation, which was given to employees every year, and they were not something that someone was entitled to by reason of being employed by the City for any length of time, and a person did not get a step increase unless they have shown job performance to warrant it.

Mr. Prenskey asked if the job performance was a satisfactory rating in an employee's job, and not an extraordinary rating, and if one performed their job as described in the job description, would they get a step increase.

Mr. Wilson responded that there were 5 levels which people would be qualified through in the evaluation process, and the middle level was by title called "satisfactory", which was the absolute minimum required to get a merit increase.

Mr. Prenskey asked if in general terms, wasn't a step increase given if you gave a satisfactory performance of your job, and in the dictionary, the definition of merit meant more than a satisfactory performance.

Mr. Wilson explained that certain dictionaries would prefer not to have the word "merit" in it at all.

Mr. Prenskey continued by saying, within the Executive Pay Plan, the description of a merit increase as determined by the City Administrator, was more generally to the definition of merit increase as to more than a satisfactory performance of the job. Mr. Wilson responded in the affirmative.

Mr. Prenskey said from last year, he recalled there was one additional kind of increase possible within the City, and that was a bonus which was given at the discretion of the City Administrator and department heads, and he questioned whether there was any provision in the FY'92 budget for those kinds of bonuses.

Mr. Wilson responded that there were no provisions for bonuses at this time.

COUNCIL ACTION: The Ordinance was unanimously accepted at first reading.

ORDINANCE NO. 1991-15
(Attached)

6. Ordinance Awarding Bid for Municipal Building Renovation
Adoption was moved by Mr. Moore and seconded by Mr. Hamilton.

Mr. Wilson said that they were submitting this ordinance as a single reading ordinance because it was a budgeted item.

Mr. Douglas said in relation to that it was the amount that was in the budget and there was an agreement to spend \$425,000 and now there were numbers before Council that indicated the amount spent would be in that range. He questioned whether this year's budget

needed to be amended in order to proceed with the project and what was the schedule for a budget amendment.

Mr. Wilson responded that the first reading of the final budget amendment for the year would be on June 10th, and the final reading would be on June 24th.

Mr. Douglas commented that it did not make him happy to see budget amendments at the end of the year which just ratify expenditures and decisions that had already been made. He also said if Council were to make a budget amendment on the decision before them or any other one in the last week of the fiscal year, there was no decision at all, only a ratification that someone else had already done which was one of the major reasons why he was proposing the Charter amendment because Council was not in control of the budget anymore, and if the contract award was approved for over \$300,000 and there is only \$250,000 in the budget, he questioned how could that be done. He also said he did not understand that while the Charter said no money would be spent without authorization from Council, it was done all the time. Mr. Douglas said that Council awarded \$328,444.00 contract to the Bob Porter Company, and that it was a commitment by the City to spend that money, and there was not enough money in the budget to support it.

Mayor Sharp asked if Council was technically violating the Charter by endorsing but not spending the money.

Mr. Wilson said all he could tell was that Council had taken into account all along, that the informal resolve earlier to have the matter come forward, was still an informal resolve; he said he could not reflect on the mechanics, the technicalities and the sequence of it, as it related to the law itself.

The Mayor suggested that the issue needed to be clarified, and it seemed to him that while he would say go ahead with it at this point, the action was null and void anyway.

Mr. Douglas said that he would propose an amendment to the motion which was on the floor. He proposed that it be a first reading ordinance with the first aspect to amend the budget to the appropriate amount between \$250,000 and \$425,000, and the second point, to award the contract to the low bidder and then the Council could vote on it at second reading, at the appropriate time and adopt it.

Mr. Prensky said he agreed with Mr. Douglas' analysis and that it was the situation which he had warned Council against months ago - that it was spending money it did not know where it was coming from. He said the Council had seemed confident that it knew where the money was coming from, but it ended up spending money that it was not authorized to spend.

Mayor Sharp interjected and said that the Council did know where the money was coming from, and if the Council had gone through the technical steps to place the money in the situation to be spent, the City Administrator would otherwise have presented a budget to Council which would say, take money out of unappropriated reserves and put it on the line item.

Mr. Hamilton commented that over a month ago, when Council told the City Administrator not to bring the first reading forward for the budget amendment until after the Public Hearing on the renovation plans, it stopped the process and gave the direction not to bring the budget amendment forward.

Mr. Elrich said that Mr. Douglas was correct. He asked could the contract be executed by dropping Section 2 from the Ordinance and do what Mr. Douglas wanted: do a separate ordinance which dealt with the budget issue; move the money into the account and then authorize the expenditure.

Miss Habada said in terms of the budget amendment, she did not particularly like having contracts signed before the money was in place, as it had been done in the past, and the instructions from Council was not to bring it forward before a Public Hearing. She recommended that there be a two reading ordinance, and on Friday it was decided to go with single reading ordinance, since that is what happened in the past. She said that she would agree to a single reading ordinance at the present and a second reading on June 24th.

Mayor Sharp asked Mr. Knauf if this were done as a first reading, when would he be in a position to sign contracts and getting the work started.

Mr. Knauf responded that in a week to 10 days, the contract would be ready to sign.

Mr. Douglas said that he was prepared to go into special session on June 10th and adopt the ordinance at second reading.

Miss Habada said that she believed the first reading could take place on June 3rd on the budget amendment, the second reading on June 10th, and defer the second reading of the present ordinance on June 10th.

Mayor Sharp said he shared Mr. Elrich's views - he did not want to wait 3 weeks.

Mr. Elrich said that it was inappropriate to say that Council had lost control of the budget process, because Council had always known where the money was and what was going to be done, and he did not feel it was appropriate to turn on staff and say that "we've lost control of the process". He said the mechanics did not get handled quite right.

Mr. Douglas said that his comment was directed at the budget amendment that at the end of June would ratify many things that had been done for the last 6-8 months. He also said to be technically correct, the Council needed to appropriate funds and he would feel more comfortable if Council did it in a first reading at present and a second reading on June 3rd in special session. Mr. Douglas said that he would add a section at an appropriate place in the ordinance that appropriates \$175,000.00 from unappropriated reserves to the appropriate line item in the budget to pay for the project.

Mayor Sharp asked would that be an appropriate statement of what would have to happen.

Miss Habada said it had never been done that way before, but it didn't mean it couldn't be done, and it was not a budget ordinance, but if you were talking about authorizing additional \$175,000.00 in this ordinance, it would be appropriate. She also said that she would still have to do a budget amendment to include that figure in it.

COUNCIL ACTION: The amendment carried unanimously.

Mayor Sharp asked if there were any differences from what had been seen earlier on the blueprints and was that what went out as the bid.

Mr. Wilson responded yes and that in his office he had a return of 4 copies of the proposal and a bundle of drawings with the bidder who was not a favorite bidder, who wanted his deposit back. He said that everything that had been done, came off the last set of drawings.

Mr. Hamilton questioned if the Council could give Mr. Knauf the go-ahead.

Mr. Knauf responded that in a few days, he could send out a conditional Notice of Award, conditioned upon the Council' approval on June 3rd, which would cover him and keep the process rolling.

COUNCIL ACTION: The Ordinance, as amended was unanimously accepted at first reading.

Upon motion made and seconded, the Council Meeting adjourned at 10:22 p.m. to reconvene on June 10, 1991.

Introduced By: Councilmember Hamilton
Drafted By: Valerie VinCola

5-20-91
Adopted: 5/28/91

Resolution No. 1991-50

A resolution approving the development of cooperative housing at 7611 Maple Avenue to be financed, in part, by the Community Development Administration of the State of Maryland.

WHEREAS, the City Council recognizes that there is a significant need for quality housing units in Takoma Park for families of limited income; AND

WHEREAS, the 7611 Maple Avenue Tenant Association proposes to acquire, rehabilitate and operate a cooperative housing project to contain approximately 74 units, known as 7611 Maple Avenue (the "project"), and located at 7611 Maple Avenue; AND

WHEREAS, the Community Development Administration ("CDA") of the State of Maryland has received an application package from 7611 Maple Avenue Tenant Association to provide capital for families of lower income in the project, pursuant to its authority under Sections 83B et.seq. of Article 838 of the Annotated Code of Maryland; AND

WHEREAS, the regulations of CDA require that all projects financed by it be approved by the governing body of the locality in which the project is situated and, where appropriate, by the chief elected executive official of that locality.

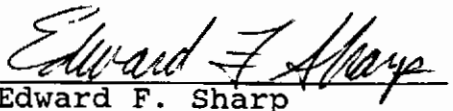
NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF TAKOMA PARK MARYLAND endorses the acquisition, rehabilitation and operation of the project upon the proposed site; and HEREBY ENDORSES the provision of capital assistance for the benefit of families of lower income in the proposed project.

BE IT FURTHER RESOLVED THAT the Mayor be, and is hereby requested to endorse this Resolution, thereby indicating this approval thereof; AND

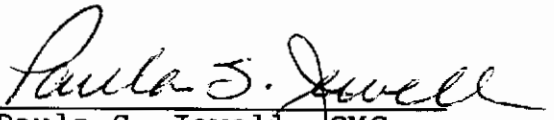
BE IT FURTHER RESOLVED THAT copies of the Resolution be sent to the County Executive of Montgomery County and to the Secretary of Economic and Community Development, State of Maryland.

ADOPTED THIS 28th DAY OF MAY, 1991.

I hereby approve this Resolution.


Edward F. Sharp
Mayor

ATTEST: I hereby certify that Resolution 1991-50 is true and correct and duly adopted by the City Council of the City of Takoma Park, Maryland.


Paula S. Jewell, CMC
City Clerk

VV7611.res

(Drafted by: B. Habada)

Introduced by:

1st Reading: 5/28/91

2nd Reading:

ORDINANCE NO. 1991-11

AN ORDINANCE TO ADOPT A STORM WATER MANAGEMENT BUDGET FOR FISCAL YEAR 92 BEGINNING JULY 1, 1991 AND ENDING JUNE 30, 1992.

WHEREAS, Article XII, Section 1201 of the Takoma Park City Charter states that the Council shall by ordinance, be designated the Water and Sewer Board with all the powers therein, AND;

WHEREAS, Ordinance 1990-19, adopted 29th day of May, 1990, established a Water and Sewer Board for the City of Takoma Park and thereby designated the Council as the Water and Sewer Board, AND;

WHEREAS, Article 29, Section 3-205 of the Annotated Code of Maryland authorizes the levying of an ad valorem tax for stormwater management by the City, AND;

WHEREAS, Article XII, Section 1205 of the Takoma Park City Charter states that the Water and Sewer Board is empowered to provide by ordinance for an ad valorem tax on property in order to raise sufficient annual revenue to pay for stormwater management activities in the City; AND

WHEREAS, the Water and Sewer Board desires to maintain a Storm Water Management Fund for the collection and payment of revenues and expenditures as it deems necessary to provide for the construction, maintenance, operations and repair of the storm water drainage system in the City.

NOW THEREFORE BE IT ORDAINED BY THE WATER AND SEWER BOARD OF THE CITY OF TAKOMA PARK

SECTION 1. THAT for the 1991-92 fiscal year, an ad valorem tax of 8 cents per \$100.00 on assessed property valuation in the City is hereby established to be used for stormwater management activities.

SECTION 2. THAT a Stormwater Management Fund as previously established by Ordinance No. 1990-25 shall be maintained into which shall be deposited:

- (a) All the receipts and revenues from ad valorem taxes, user charges, and utility fees levied by the City to pay for stormwater management;
AND
- (b) All charges, fees, fees-in-lieu, and other contributions received from any person or governmental entity in connection with stormwater management activities or practices.

SECTION 3. THAT from and out of the monies known to be received from the 8 cent ad valorem tax established by Section 1 of this Ordinance and levied by the FY 92 Tax Rate Ordinance (Ordinance No. 1991-13), and from all monies to come into all funds during the twelve (12) month period ending June 30, 1992, there shall be, and hereby are appropriated Storm Water Management Fund revenues of TWO HUNDRED EIGHT THOUSAND, SEVEN HUNDRED AND SEVENTY NINE DOLLARS (\$208,779) as follows:

Local Taxes	\$208,779
-------------	-----------

SECTION 4. THAT there shall be, and hereby are appropriated the following sums for use for the support of storm water management activities during the 1991-92 Fiscal Year:

Storm Water Management Expenditures	\$208,779
-------------------------------------	-----------

SECTION 5. THAT the approved FY 92 budget document with account listings is to be incorporated as a part of this Ordinance by reference.

Page Three
STORM WATER MANAGEMENT BUDGET ORDINANCE

- SECTION 6. THAT a Stormwater Management Capital Reserve as established by Ordinance 1990-25 adopted June 11, 1990 is maintained at a reserve level of \$48,337 for storm water system capital improvement expenses that the Council may approve from time to time.
- SECTION 7. THAT should any section of this Ordinance be determined to be invalid, such invalidity shall not affect any other sections.
- SECTION 8. THAT this Ordinance shall become effective July 1, 1991.

Adopted this _____ day of June, 1991 by Roll Call Vote of the Water and Sewer Board for the City of Takoma Park:

AYES:
NAYS:
ABSTAIN:
ABSENT:

d#O/R2
0-92STRM

Introduced by:

1st Reading: 5/28/91
2nd Reading:

ORDINANCE NO. 1991-12

AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 1991 AND ENDING JUNE 30, 1992.

WHEREAS, in accordance with Article IX of the Charter of the City of Takoma Park, it is the determination of the City Council that the annual appropriation Ordinance should be enacted to budget and appropriate funds for the several objects and purposes for which the City must provide in the fiscal year beginning July 1, 1991 and ending June 30, 1992;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND,

SECTION 1. THAT from and out of the monies and balances known to be in the General Fund of the City of Takoma Park, Maryland, and from all monies anticipated to come into all funds during the twelve (12) month period ending June 30, 1992, there shall be, and hereby are appropriated General Fund revenues of [EIGHT MILLION, FIFTY ONE THOUSAND AND SIX HUNDRED AND ONE DOLLARS (\$8,051,601)] SEVEN MILLION, NINE HUNDRED NINETY-NINE THOUSAND AND FORTY THREE DOLLARS (\$7,999,043) and a transfer of prior year surplus and/or Unappropriated Reserve balance to the FY 92 budget as follows:

Taxes-Local	\$ [4,414,943]	<u>\$4,363,185</u>
Taxes-State Shared	\$ 1,013,664	
License & Permits	\$ 13,600	
Revenue from other Agencies	\$ 1,913,747	
Service Charges	\$ 328,720	
Fines & Forfeitures	\$ 163,000	
Miscellaneous	\$ <u>203,927</u>	
SUBTOTAL	\$[8,051,601]	<u>\$7,999,043</u>

Prior year surplus/unappropriated reserve \$470,317
Equipment Replacement Reserve allocation 50,000

TOTAL \$[8,571,918] \$8,520,160

SECTION 2. THAT the City Administrator is hereby authorized to transfer funds to the FY 1992 budget from the prior year surplus and/or Unappropriated Reserve in the amount of \$470,317.

SECTION 3. THAT there shall be, and hereby are appropriated the following sums for use by the several departments and offices of the City, and for the objects and purposes for which the City must provide during the 1991-92 Fiscal Year:

Public Works	\$[2,477,117]	<u>\$2,492,117</u>
Police Department	\$ 2,182,747	
Non-Departmental	\$ 1,278,350	
Government Administration	\$ 919,852	
Housing & Community Development	\$ 574,429	
Library	\$ 409,472	
Cable	\$ 74,334	
Recreation	\$ 373,174	
Debt Service	\$ 174,022	
General Fund Transfer to Special Revenue Fund	\$ 24,750	
TOTAL EXPENDITURES	\$[8,488,247]	<u>\$8,503,247</u>
Contribution to Equipment Replacement Reserve	8,929	
Salary Lapse	(49,436)	
<u>AUTHORIZED FY 92 EXPENDITURES</u>	<u>[8,447,740]</u>	<u>\$8,462,740</u>

SECTION 4. THAT in accordance with Article IX of the City Charter, Section 903, there is included in the NonDepartmental Budget, a General Contingency Account appropriation of ONE HUNDRED SIXTY ONE THOUSAND, THIRTY TWO DOLLARS (\$161,032);

SECTION 5. THAT in accordance with Article IX of the City Charter, Section 904 (b) the City Administrator is hereby authorized to allocate EIGHT THOUSAND NINE HUNDRED TWENTY NINE DOLLARS (\$8,929) from Unappropriated Reserve to the Equipment Replacement Reserve and allocate \$47,000 earmarked for a FY 92 purchase of a Trash Truck which will not be purchased in FY 92, to fund the remaining portion of the FY 92 Equipment Replacement Reserve payment [for a total FY 1992 Equipment Replacement Reserve allocation] of FIFTY FIVE THOUSAND, NINE HUNDRED TWENTY NINE DOLLARS (\$55,929);

SECTION 6. THAT a Special Revenue Fund is authorized for receipt of and expenditure of Federal or State funded projects with Revenues of SEVEN HUNDRED FOURTEEN THOUSAND AND THREE HUNDRED TWELVE DOLLARS (\$714,312) inclusive of a General Fund Transfer of TWENTY FOUR THOUSAND, SEVEN HUNDRED FIFTY

DOLLARS (\$24,750) and an Expenditure appropriation of SEVEN HUNDRED FOURTEEN THOUSAND AND THREE HUNDRED TWELVE DOLLARS (\$714,312); AND

- SECTION 7. THAT the City Administrator is hereby authorized to allocate \$50,000 to the FY 92 Budget from the Equipment Replacement Reserve for the purchase of a recycling vehicle.
- SECTION 8. THAT the Council hereby ratifies the stormwater management budget for FY 1991-92 adopted by the Water and Sewer Board by Ordinance #1991-11.
- SECTION 9. THAT the FY 92 operating budget shall reflect a salary lapse of \$49,436.
- SECTION 10. THAT the approved FY 92 Budget Document is to be made a part of this Ordinance by reference.
- SECTION 11. THAT should any section of this Ordinance be determined to be invalid, such invalidity shall not affect any other sections.
- SECTION 12. THAT this Ordinance shall become effective July 1, 1991.

Adopted this day of , 1991, by Roll Call Vote:

AYES:
NAYS:
ABSTAIN:
ABSENT:

d#O/R2
O-92BUD

1st Reading: 5/28/91

2nd Reading:

Introduced by:

ORDINANCE NO. 1991-13

AN ORDINANCE TO ESTABLISH THE TAX RATE FOR THE FISCAL YEAR 1992 BEGINNING JULY 1, 1991 AND ENDING JUNE 30, 1992.

WHEREAS, in accordance with Section 6-303 of the Tax Property Article of the Annotated Code of Maryland, the City Council is mandated to establish a municipal incorporation tax rate on or before the first day of July of each year; AND

WHEREAS, the Council sitting as the Water and Sewer Board, by Ordinance No. 1991-11 set an ad valorem tax on property at 8 cents per \$100 assessed valuation for storm water management.

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND

SECTION 1. THAT Section 11A-2, Chapter 11A, "Taxation", of the City Code of Takoma Park, Maryland, 1972 as amended, be further amended as follows:

Section 11A-2. Annual tax levy on real and personal property.

(a) Effective July 1, 1991, all real and personal property which is subject to taxation by the City of Takoma Park shall be subject to a tax on the assessed value of such real and personal property as such value is determined by the State Department of Assessments and Taxation, at the rate of [\$1.773] \$1.752 per \$100.00 assessed valuation, including an equivalent of 22.7 cents per \$100.00 assessed valuation for fire service reimbursement to Montgomery County and 8 cents per \$100.00 assessed valuation for storm water management to be distributed to the Storm Water Management Fund.

SECTION 2. THAT this Ordinance shall be effective July 1, 1991.

Adopted this _____ day of June, 1991.

AYES:

NAYS:

ABSTAIN:

ABSENT:

O-92TXRA

Introduced by:

First Reading: 5/28/91
Second Reading:

ORDINANCE NO. 1991-14

Short Title: Pay scale for employees.

AN ORDINANCE TO:

(a) Amend the pay scale for employees for FY 92, tied to the position classification schedule as adopted by Ordinance No. 1986-53, as amended.

WHEREAS, the City has negotiated a union contract with AFSCME Local 3399, and Local 400 of the United Food and Commercial Workers Union that includes a 5% cost-of-living adjustment for FY 1992;

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF TAKOMA PARK, MARYLAND THAT:

SECTION 1. PAY SCALE PLAN.

Ordinance No. 1990-27 is hereby amended and the following pay scale is adopted as the new Pay Scale Plan for the City for the Fiscal Year beginning July 1, 1991 and ending June 30, 1992. This Pay Scale Plan will become effective July 1, 1991, and will remain in effect until amended or repealed by the City Council:

(a) City Administrator. The pay scale for the City Administrator is as follows:

STEP:	A	B	C	D	E	F
	<u>41,846</u>	<u>43,520</u>	<u>45,261</u>	<u>47,071</u>	<u>48,954</u>	<u>50,912</u>
	G	H	I	J	K	
	<u>52,949</u>	<u>55,067</u>	<u>57,269</u>	<u>59,560</u>	<u>61,943</u>	

(b) Recreation attendant. The pay scale for recreation attendants is as follows:

STEP	A	B	C	D	E	F
	<u>11,746</u>	<u>12,168</u>	<u>12,654</u>	<u>13,058</u>	<u>13,526</u>	<u>14,018</u>
	G	H	I	J	K	
	<u>14,523</u>	<u>15,051</u>	<u>15,595</u>	<u>16,163</u>	<u>16,777</u>	

(c) Crossing guard. The pay scale for crossing guards is as follows:

STEP:	A	B	C
	<u>\$9.54/hour</u>	<u>\$10.31/hour</u>	<u>\$11.14/hour</u>

(d) All other employees. The pay scale for all other employees is as shown on the following 36 percent scale: (see next page).

(e) Special rule for employees who are represented by a certified employee organization.

All employees represented by a certified employee organization will be paid according to the terms of the collective bargaining agreement, as it was adopted by Council pursuant to the provisions in Article 2 of Chapter 8B of the City Code.

Adopted this day of by roll call vote as follows:

AYES:
NAYS:
ABSTAIN:
ABSENT:

NOTE: Underlining indicates new language to be added. Brackets [] indicate language to be deleted.

FY - 92 PAY PLAN (52)

		A	B	C	D	E	F	G	H	I	J	K
GRADE	Starting Pay	ANNUAL	ANNUAL	ANNUAL	ANNUAL	ANNUAL	ANNUAL	BIENNIAL	BIENNIAL	BIENNIAL	BIENNIAL	BIENNIAL
	Percentage Increase	4.25%	4%	3.75%	3.5%	3.25%	3%	2.75%	2.5%	2.25%	2.10%	
1	Annual	\$15,049.13	\$15,688.72	\$16,316.26	\$16,928.12	\$17,520.60	\$18,090.02	\$18,632.72	\$19,145.13	\$19,623.75	\$20,065.29	\$20,486.
	Weekly	\$289.41	\$301.71	\$313.77	\$325.54	\$336.93	\$347.89	\$358.32	\$368.18	\$377.38	\$385.87	\$393.
	Hourly	\$7.24	\$7.54	\$7.84	\$8.14	\$8.42	\$8.70	\$8.96	\$9.20	\$9.43	\$9.65	\$9.
2	Annual	\$16,177.21	\$16,864.73	\$17,539.33	\$18,197.05	\$18,833.95	\$19,446.05	\$20,029.44	\$20,580.25	\$21,094.74	\$21,569.38	\$22,022.
	Weekly	\$311.10	\$324.32	\$337.29	\$349.94	\$362.19	\$373.96	\$385.18	\$395.77	\$405.67	\$414.80	\$423.
	Hourly	\$7.78	\$8.11	\$8.43	\$8.75	\$9.05	\$9.35	\$9.63	\$9.89	\$10.14	\$10.37	\$10.
3	Annual	\$17,390.77	\$18,129.88	\$18,855.07	\$19,562.14	\$20,246.80	\$20,904.83	\$21,531.98	\$22,124.10	\$22,677.20	\$23,187.44	\$23,674.
	Weekly	\$334.44	\$348.65	\$362.60	\$376.19	\$389.36	\$402.02	\$414.08	\$425.46	\$436.10	\$445.91	\$455.
	Hourly	\$8.36	\$8.72	\$9.06	\$9.40	\$9.73	\$10.05	\$10.35	\$10.64	\$10.90	\$11.15	\$11.
4	Annual	\$18,695.83	\$19,490.40	\$20,270.01	\$21,030.15	\$21,766.20	\$22,473.59	\$23,147.80	\$23,784.37	\$24,378.98	\$24,927.50	\$25,450.
	Weekly	\$359.54	\$374.82	\$389.81	\$404.43	\$418.58	\$432.18	\$445.15	\$457.39	\$468.83	\$479.37	\$489.
	Hourly	\$8.99	\$9.37	\$9.75	\$10.11	\$10.46	\$10.80	\$11.13	\$11.43	\$11.72	\$11.98	\$12.
5	Annual	\$20,097.20	\$20,951.33	\$21,789.38	\$22,606.49	\$23,397.72	\$24,158.14	\$24,882.88	\$25,567.17	\$26,206.34	\$26,795.97	\$27,358.
	Weekly	\$386.48	\$402.91	\$419.03	\$434.74	\$449.96	\$464.58	\$478.52	\$491.68	\$503.97	\$515.31	\$526.
	Hourly	\$9.66	\$10.07	\$10.48	\$10.87	\$11.25	\$11.61	\$11.96	\$12.29	\$12.60	\$12.88	\$13.
6	Annual	\$21,604.52	\$22,522.72	\$23,423.63	\$24,302.01	\$25,152.58	\$25,970.03	\$26,749.14	\$27,484.74	\$28,171.86	\$28,805.73	\$29,410.
	Weekly	\$415.47	\$433.13	\$450.45	\$467.35	\$483.70	\$499.42	\$514.41	\$528.55	\$541.77	\$553.96	\$565.
	Hourly	\$10.39	\$10.83	\$11.26	\$11.68	\$12.09	\$12.49	\$12.86	\$13.21	\$13.54	\$13.85	\$14.
7	Annual	\$23,225.01	\$24,212.07	\$25,180.55	\$26,124.82	\$27,039.19	\$27,917.97	\$28,755.51	\$29,546.28	\$30,284.94	\$30,966.35	\$31,616.
	Weekly	\$446.63	\$465.62	\$484.24	\$502.40	\$519.98	\$536.88	\$552.99	\$568.20	\$582.40	\$595.51	\$608.
	Hourly	\$11.17	\$11.64	\$12.11	\$12.56	\$13.00	\$13.42	\$13.82	\$14.20	\$14.56	\$14.89	\$15.
8	Annual	\$24,967.10	\$26,028.20	\$27,069.34	\$28,084.42	\$29,067.38	\$30,012.08	\$30,912.43	\$31,762.52	\$32,556.59	\$33,289.10	\$33,988.
	Weekly	\$480.14	\$500.54	\$520.56	\$540.09	\$558.99	\$577.16	\$594.47	\$610.82	\$626.09	\$640.18	\$653.
	Hourly	\$12.00	\$12.51	\$13.01	\$13.50	\$13.97	\$14.43	\$14.86	\$15.27	\$15.65	\$16.00	\$16.
9	Annual	\$26,839.21	\$27,979.88	\$29,099.07	\$30,190.29	\$31,246.94	\$32,262.48	\$33,230.34	\$34,144.17	\$34,997.78	\$35,785.23	\$36,536.
	Weekly	\$516.14	\$538.07	\$559.60	\$580.58	\$600.90	\$620.43	\$639.05	\$656.62	\$673.03	\$688.18	\$702.
	Hourly	\$12.90	\$13.45	\$13.99	\$14.51	\$15.02	\$15.51	\$15.98	\$16.42	\$16.83	\$17.20	\$17.
10	Annual	\$28,852.18	\$30,078.40	\$31,281.53	\$32,454.60	\$33,590.50	\$34,682.19	\$35,722.66	\$36,705.04	\$37,622.65	\$38,469.16	\$39,277.
	Weekly	\$554.85	\$578.43	\$601.57	\$624.13	\$645.97	\$666.97	\$686.97	\$705.87	\$723.51	\$739.79	\$755.
	Hourly	\$13.87	\$14.46	\$15.04	\$15.60	\$16.15	\$16.67	\$17.17	\$17.65	\$18.09	\$18.49	\$18.6
11	Annual	\$31,016.85	\$32,335.07	\$33,628.46	\$34,889.53	\$36,110.66	\$37,284.27	\$38,402.79	\$39,458.86	\$40,445.35	\$41,355.35	\$42,223.
	Weekly	\$596.48	\$621.83	\$646.70	\$670.95	\$694.44	\$717.01	\$738.52	\$758.82	\$777.80	\$795.30	\$812.
	Hourly	\$14.91	\$15.55	\$16.17	\$16.77	\$17.36	\$17.93	\$18.46	\$18.97	\$19.44	\$19.88	\$20.
12	Annual	\$33,342.84	\$34,759.91	\$36,150.31	\$37,505.95	\$38,818.65	\$40,080.27	\$41,282.67	\$42,417.94	\$43,478.38	\$44,456.64	\$45,390.
	Weekly	\$641.21	\$668.46	\$695.20	\$721.27	\$746.51	\$770.77	\$793.90	\$815.73	\$836.12	\$854.94	\$872.
	Hourly	\$16.03	\$16.71	\$17.38	\$18.03	\$18.66	\$19.27	\$19.85	\$20.39	\$20.90	\$21.37	\$21.6

Introduced by:

1st Reading: 5/28/91
2nd Reading:
Effective:

ORDINANCE NO. 1991-15

Short Title: An ordinance to amend the Executive Pay Plan

AN ORDINANCE TO:

- (a) Change the Executive Pay Plan to provide for a 4% adjustment to the Pay Plan for FY 92.

BE IT ORDAINED BY THE CITY COUNCIL OF TAKOMA PARK, MARYLAND THAT THIS ORDINANCE amends the Executive Pay Plan as adopted by Ordinance 1990-28; this ordinance is to be effective July 1, 1991:

SECTION 1. PAY SCALE PLAN

Positions listed in Ordinance No. 1986-53, as amended, designated as Executive 1 shall be compensated at the level of Executive 1; those listed in Executive 2 shall be compensated at the level of Executive 2; those listed as being in Executive 3 shall be compensated at the level of Executive 3, and those listed in Executive 4 shall be compensated at the level of Executive 4.

SECTION 2. IMPLEMENTATION OF PAY SCALE PLAN

- (a) Effective July 1, 1987, Senior Management staff in Grades Executive 1 through Executive 4 will be paid in accordance with the pay scale for:
 - (1) the grades that their job classifications have been allocated;
 - (2) with the exact amount to be determined by the City Administrator with the provision that none of the executives will receive a salary decrease as a result of the initial implementation of this pay plan.

SECTION 3. GUIDANCE FOR PLACING EXECUTIVE STAFF IN THE PAY SYSTEM.

(a) 1st Quartile - Hiring Bracket:

Individuals are generally hired within this quartile with the exact place to be determined by the City Administrator based on the experience and subject matter knowledge of the appointee. Subsequent merit increases should continue within the quartile with the amount depending upon the results of performance evaluation(s). Further guidance to the City Administrator for differentiating between amounts will be given in the Personnel Regulations.

(b) 2nd Quartile - Performance Step:

Individuals are granted raises into this area for average and above average performance after they have learned to perform their functions thoroughly and have proven their ability to manage their units.

(c) 3rd Quartile - Performance and Longevity Step:

Individuals are placed in this step normally after they have acquired many years of experience in managing their units and have received ratings of average and above consistently. Most executives will not ever be awarded pay greater than the maximum allowed for this quartile.

(d) 4th Quartile - Superior Performance

Individuals normally are awarded pay in this quartile only if they perform clearly in a superior manner and/or if they have been recognized by a national professional organization as one of the leaders in the field.

SECTION 4. EXECUTIVE PAY SCALE

Executive 1:	1st Quartile = [31,804 - 36,864]	<u>33,076 - 36,798</u>
	2nd Quartile = [36,865 - 39,919]	<u>37,799 - 40,519</u>
	3rd Quartile = [39,920 - 42,974]	<u>40,520 - 44,240</u>
	4th Quartile = [42,975 - 46,026]	<u>44,241 - 47,961</u>
Executive 2:	1st Quartile = [34,075 - 39,618]	<u>35,557 - 39,558</u>
	2nd Quartile = [39,618 - 42,890]	<u>39,559 - 43,558</u>
	3rd Quartile = [42,891 - 46,160]	<u>43,559 - 47,558</u>
	4th Quartile = [46,161 - 49,430]	<u>47,559 - 51,558</u>
Executive 3:	1st Quartile = [37,461 - 42,588]	<u>38,224 - 42,525</u>
	2nd Quartile = [42,589 - 46,106]	<u>42,526 - 46,825</u>
	3rd Quartile = [46,107 - 49,623]	<u>46,826 - 51,125</u>
	4th Quartile = [49,624 - 53,139]	<u>51,126 - 55,425</u>
Executive 4:	1st Quartile = [40,612 - 45,785]	<u>41,091 - 45,714</u>
	2nd Quartile = [45,786 - 49,561]	<u>45,715 - 50,337</u>
	3rd Quartile = [49,561 - 53,343]	<u>50,338 - 54,960</u>
	4th Quartile = [53,344 - 57,125]	<u>54,961 - 59,582</u>

SECTION 5. COST OF LIVING ADJUSTMENTS

- (a) A cost of living adjustment is a percentage applied to Executive quartiles.
- (b) The City Council determine whether the City will give a cost of living adjustment in any year and the size of the adjustment.
- (c) A cost of living adjustment shall be effective on the first day of a new fiscal year.

SECTION 6. DATE OF PAY INCREASES

- (a) Notwithstanding provisions of Article 8B, Section 8B-124(a) of the City Code, the effective date for an executive employee(s) merit increase(s), if any, shall be on said employee(s) initial anniversary date of hire, and thereafter as the City Council deem appropriate upon evaluation of said employee(s).

Page Four
Executive Pay Plan Ordinance

Adopted this day of , to take effect July 1, 1991.

AYE:
NAY:
ABSTAINED:
ABSENT:

NOTE: Underlining indicates new language to be added. Brackets
[] indicates language to be deleted.

O-EX92PY

Introduced by:

1st Reading: May 28, 1991
2nd Reading:

ORDINANCE NO. 1991-16

AN ORDINANCE TO AWARD A CONTRACT FOR THE PURPOSE OF RENOVATION OF THE TAKOMA PARK MUNICIPAL BUILDING AND SAM ABBOTT CITIZENS' CENTER AND FOR THE PURPOSE OF AUTHORIZING ADDITIONAL FUNDS IN THE FY 91 BUDGET.

WHEREAS, Council Resolution 1990-104 set a cap of \$425,000 for renovation of the Takoma Park Municipal building to provide for additional space for the Police department, consolidate space for the Department of Housing and Community Development, relocate the Tool Library and the Recreation Department; AND

WHEREAS, \$250,000 was allocated in the FY 91 Capital Budget for the renovation of the Municipal building; AND

WHEREAS, Expressions of Interest were advertised in the Washington Post and the Dodge Report; AND

WHEREAS, five (5) companies were selected from a pre-qualified list of contractors and were solicited for bids in accordance with the City's sealed bidding process; AND

WHEREAS, bids were publicly opened at 2:00 PM, May 16, 1991 with five (5) bids being received as follows:

Bob Porter Company, Inc.	\$328,446
J.A. Scheibel, Inc.	\$339,000
Dustin Construction, Inc.	\$347,000
College Park Contracting, Inc.	\$372,648
Corning Construction Corp.	\$460,000

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND

SECTION 1. THAT the low bid received from Bob Porter Company in the amount of THREE HUNDRED TWENTY EIGHT THOUSAND, FOUR HUNDRED AND FORTY SIX DOLLARS (\$328,446) be accepted; AND

SECTION 2. THAT an additional \$163,000 be appropriated from Unappropriated Reserve for this expenditure and that this expenditure be authorized as a Capital Expenditure to be charged to Capital Expenditures Account 9100-8001; AND

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(Mun. Building Renovation Bid Award)

SECTION 3. THAT this Ordinance becomes effective upon adoption.

Adopted this ____ day of _____, 1991.

AYE:

NAY:

ABSTAIN:

ABSENT: