CAMBRIDGE MATTERS

By: Commissioner Steve Rideout

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 Having written all that follows and then read it, I must once again apologize for its length. As this is budget time, however, there is a lot going on; and how we spend your money is important to those of you who live within the city and is important to everyone who receives this as the prosperity of Cambridge is important to those who live both in and outside the city.

There were several important matters that were addressed at our most recent City Council meeting on April 24th. We had presentations from city staff on some of the city budget issues, set up future meetings for more presentations and for public hearings on the city budget for FY 2018, and passed Ordinance 1097 that adopted and approved the levy for Real Property and Personal Property Taxes for the 2018 fiscal year that starts July 1st. The Mayor read the Opinion from the Open Meetings Compliance Board regarding a complaint that I filed. I am including my complaint and the opinion for you to read, if you wish, and will comment on this issue later in my report.

At the first of two closed sessions held at 5:30 p.m., City Council voted to hire the law offices of Charles Macleod for a period of 4 months as the new City Attorney for Cambridge. The 4-month term is to help the City and Mr. Macleod’s firm determine the amount of appropriate legal services that the city will need. The second closed session involved litigation in a matter that I have recused myself from participating pursuant to the requirements of the Cambridge Ethics Law, so I have nothing to report on what may have taken place there.

After those meetings, the city council returned to regular session where the agenda was approved as was the consent calendar, excluding the meeting minutes of April 10th that needed some minor correction and the proposed waiver of city fees related to the Robin Hood Shop about which Commissioner Sydnor had some questions. The corrected minutes and the waiver of up to $300 of charges for a building permit and inspection fees on the new addition to the Robin Hood Shop, which is run by the Dorchester General Hospital Auxiliary, were then approved.

Mr. Buffy Luffman, the Eastern Shore Intergovernmental Affairs representative for the Office of the Governor, then introduced himself and let city council and those in attendance at the meeting know how he could help city and county governments on the Eastern Shore among themselves and with state government.

Ordinance 1098 was then introduced for first reading. The purpose of this ordinance was to correct an error that occurred when the UDC was originally passed involving properties at 821 and 829 Fieldcrest Road that were rezoned in error in order that they be properly zoned as institutional zoning. After the 1st reading, the 2nd reading and adoption of the ordinance was scheduled for May 8th.

Ordinance 1097 mentioned above was then taken up. A public hearing took place where citizens were given the opportunity to provide the city council with their views regarding the proposed rates. No one commented on the personal property tax rate that remained at $1.69 per $100. Several people urged that the city council not raise the real property tax rate from $.007989 per $100 in assessed value to $.008179 per $100 in assessed value. This was an increase of .00019 to maintain what is called the “Constant Yield” that is allowed when the average value of real estate assessments goes down, as happened in Cambridge, which would cause the city government to receive fewer dollars than in the prior year.

On a 4-1 vote city council adopted Ordinance 1097 and directed staff to forward the ordinance to Dorchester County and the State. I voted in favor of the ordinance. While raising the tax rate is not something that the members of city council wanted to do, after a review of the evidence provided to us by the city manager and staff, it was clearly the right thing to do.

Some of the known and anticipated higher costs for the next tax year over current costs include the following:

$270,000 - Health Insurance Costs increase

$150,000 - ½ year payment on loan to fix Sailwinds’ Wharf

$ 40,000 – Higher cost for new city attorney

(plus additional costs for ending Rob Collison’s contract)

$120,000 – employee cost of living increases (125 employees)

$ 25,000 – Human Services Grants

$ 10,000 – New Street Lights

A more complete list can be found in the proposed city budget located on the City Website at [www.choosecambridge.com](http://www.choosecambridge.com)

As part of the budgeting process, the city manager was asked to have staff look at the work that they do and find places where costs might be cut. We have modified insurance coverages to reduce costs, and the police department is in the process of reorganization of command staff to operate more efficiently. In addition, the onetime state payment of $194,000 due the city for state errors in taxing the city in past years was included in the upcoming budget to help fund the capital program.

To try help you understand why I voted in favor of the tax rate, I offer the following:

1. I clearly heard that the proposed increase to address the 300 Block of High Street and housing blight in the 3rd Ward was not popular. I also felt that there were other ways to begin the process of building consensus within the city on how to fund needed infrastructure repairs and taking some early smaller steps to begin those efforts. At an earlier meeting, I changed my mind and voted against those proposed increases even though the work needs to be done.
2. In some instances, spending what I call “prevention and early intervention dollars” now can result in less costs and better use of limited dollars down the road. One example of that is a pavement management program that will help us identify the best way to improve city streets at less cost. Another is looking at the possibility of privatizing trash collection to see if it might be done better and at less cost. Another is the investment of taxpayer funds in the Human Resources Grants to see how that money given to the right nonprofit can intervene to help children and families and reduce costs for other services later. Fred Phillips-Patrick just provided me with a link to a story from the Washington Post about a recent study that provides an excellent example of that, which I hope will come from our effort. That story can be found at

**https://www.washingtonpost.com/news/wonk/wp/2017/04/24/why-your-childrens-daycare-may-determine-how-wealthy-they-become/?utm\_term=.ec4390efa5c9**

Take a look at it. This is how prevention and early intervention dollars can make a difference and reduce costs. Here in Cambridge and Dorchester County the benefits will come in children better prepared for school; schools that show improved outcomes and improved school ranking within the state; and teachers who are more satisfied in their work and stay here longer than a few years. Improved schools mean economic development because businesses are more likely to move here when there is a school system that shows improvement in outcomes. The Dorchester County Schools are doing that, but there are always new and different things that can be done to help make them better.

1. While the overall assessment of city property went down 2.3%, the increase in the tax rate does not mean that every homeowner will pay more taxes. Those homeowners, whose assessment decreased may pay less depending on how much their assessment went down. Those whose assessment went up, will, of course pay more. What is important for those homeowners to remember is that investing now in programs and projects that will reduce costs later and support increases in assessment rates can allow us to reduce tax rates later. As I looked at the assessment on my home and compared it to properties I know in the city, how properties are assessed is a real mystery. Nearby properties that are much larger and more attractive than where I live and have as much or more land area are assessed equally to mine. Some properties that have gone down in value may have done so because owners are not keeping them up for whatever reason. One of my tasks for the coming year is to find out more about how properties are assessed and see if there might be a solution to that challenge.
2. I did not feel that simply remaining at the current tax rate was the right answer. Prior to our establishing a city manager form of government, this community was on a predictable path that would have cost even more than is currently the case. With the city manager and a finance director that understand ways to make taxpayer money work for the benefit of the entire community, the improved management of the city and the savings that would otherwise not have occurred have been accomplished. We needed to keep our funding level at least where it was last year both because of increased costs, some of which were out of our control, and because having those funds available now will help us find ways to improve services and reduce costs in the future. I have seen it done in several communities around the country and know that it can happen here.

City Administrative Staff and the Police Chief then made presentations that can also be found on the city website. Included in those presentations is some information about what each department did during FY 2017. From the Economic Development Department, we learned that the new city website will be up and running this summer, probably in August. The current website has not worked well and has not been easy to use by those seeking information about us and how we function. While I have not seen the new proposed site, those working on it are very much aware of the importance of having an easy to use website presence.

Chief Lewis made the police department presentation much of which was developed by Chief Dan before his resignation. After the meeting, I suggested to the Chief that having outcome driven data rather than output data would help Cambridge residents have a better understanding of the excellent work that our police department is doing. I am hopeful that in next year’s budget we will have more data from all departments that will help us understand how the city and its citizens benefitted from the work that they did and not just be a recitation of what they did. This is just the 2nd year of the effort by the city manager to provide more useful data for city council and the community, and what has been accomplished so far is a big step in getting to where we need to be.

The next topic on the agenda was old business and was the acceptance and appropriation of grant funding for completion of the Historic Preservation Commission Design Guidelines. This was a grant opportunity authorized earlier this year, which was awarded by the Maryland Certified Local Governments Program for $15,000 to hire a consultant to help revise and complete the proposed Historic District Design Guidelines.

As many have heard and some have experienced, the HPC process has, in the past, been a challenge. As the Ward 1 Commissioner and the liaison from city council to the HPC, I felt it was important to find ways to improve the efficiency of the HPC process and bring on commission members from the community who are both knowledgeable about the importance of historic preservation and have had experience with the HPC process. The new leadership of the HPC is making every effort to make it work better and more efficiently for residents of the Historic District who need to address changes or improvements to their properties. This grant will help them and the community in the work that they are doing.

The other old business matter that was addressed was the reading by the Mayor of the findings of the Open Meetings Act Compliance Board that came because of a complaint that I made about a closed meeting on February 21st of this year. Rather than tell you about it, I am attaching to my email my complaint and the decision for you to read, if you wish.

As background, one of my primary issues regarding city government is its need to be more open and transparent. How “closed” meetings were done in the past was clearly in violation of the Open Meetings Act. When I came on city council, I asked for changes to be made. While there was some improvement, the meeting that I complained about had so much wrong with it that I filed my complaint.

The old process has gone on for so long, that no one ever shows up at meetings that are labeled as closed, so it is easier for city council to be less open and transparent. This decision, that the Mayor read, says that we must change the way we close meetings. It also means that if this decision is going to have any impact here in Cambridge, you must do something. You should show up at the early open meetings and listen to why the meeting is being closed. That way you know what is supposed to be discussed and, when the mayor and commissioners come out of the meeting and report, you will know if something different was discussed. If that is the case, there has not been compliance with the act.

In addition, since the mayor and city manager set the agenda, I expect that these “closed” meetings will continue to occur prior to the regular open meetings. If we are being open and transparent, they should occur after the regular open meetings have been completed at which point we announce our intent to go into “closed” session and provide the reason for it. That then gives those of you who are present the ability to understand the purpose of the close meeting. As the opinion states, when we come out of those closed meetings we do not need to make a report and can make that at the next open meeting where you the community can make sure that we only talked about what we said was the reason for the closed meeting.

While all of this may seem bureaucratic and a waste of time, it is the only way you can know that what we are doing behind closed doors is being disclosed to the extent it is required by law.

The only New Business on the agenda included the scheduling of a Work Session on May 12th from 11 am – noon at the Public Safety Training Room and a Work Session on May 8th at 5 p.m. to discuss grant funding opportunities.

As the mayor and commissioners were making closing statements at the end of the meeting, the city manager asked that we hear from Odie Wheeler, Director of DPW, about an emergency funding situation that had just occurred. Apparently, the State has changed its process of how gasoline can be dispensed at marinas within the state to help ensure, to the extent possible, that gasoline does not enter the water of the Bay or its tributaries. The cost of the “fix” that the state is requiring is about $35,000, and for the Cambridge Marina to be able to continue to sell gasoline the “fix” had to be done immediately. There were grant funds available to DPW to do this work that the state would allow to be shifted from state monies already received by the city. In addition, the state would work with the city to find monies to replace the $35,000.

We also learned that the Hyatt had been required to make a similar “fix” for its marina gasoline distribution and had declined to do so. That meant that if the City and Hyatt did not have the ability to dispense gas that none would be immediately available for boaters. It also meant that if the city complied with the state request that it would be the closest gasoline for Hyatt boaters to use. That would mean a potential increase in revenue for the Cambridge Marina that has been a money loser for years.

To approve the request, because it was not in the existing budget, 4 commissioners had to vote in favor of the request. By that time in the evening Commissioner Foster had left the meeting. On my motion with a second from Commissioner Hanson, the motion went down to defeat on a 3-1 vote, with Commissioner Sydnor opposing. During the debate, Commissioner Sydnor asked me if I wanted to withdraw the motion, which was a clear indication that he would vote against it.

As this was an emergency that the city could benefit from if the matter was approved and that the monies available were grant monies already in a city account from the state, that meant that no additional funds would come from the city, I refused to withdraw the motion.

Commissioner Sydnor complains often about the cost of the marina and how unfair it is that city monies are spent there when it is a money loser. Prior to the marina expansion, the Marina was a money maker and cash cow that the city used to fund other projects in the city. Now it is not. His vote against the motion would cause the city to have to close the gasoline distribution from the marina, which would send marina users elsewhere for their gasoline.

Apparently, after thinking through his decision, Commissioner Sydnor realized the mistake that he had made and asked that the matter be reconsidered. It was, and the 4 favorable votes needed were achieved.

Thanks for reading.

I will be back soon with reports on our Work Sessions in early and mid February.

All the best.

Steve Rideout