
CAMBRIDGE ASSOCIATION OF NEIGHBORHOODS**MEMBERS PUBLIC MEETING****May 2, 2024****MINUTES**

Board Members Present: Chuck McFadden (President), Roman Jesien (Vice President), Tom Puglisi (Secretary), Kim Miller, Sharon Smith, Donna Towers, and Judd Vickers. Seven of eleven members being present, a quorum of the Board was achieved.

Board Members Absent: Andre Duerinckx, Mary Ellen Jesien, Brad Rice, and Dave Thatcher (Treasurer).

- 1. Opening Comments.** CAN President Chuck McFadden convened the meeting at 6:30 pm at the Dorchester County Public Library basement meeting room at 303 Gay Street in Cambridge. The meeting was livestreamed on YouTube at <https://www.youtube.com/@whcpstudio4716> and FaceBook at <https://www.facebook.com/WHCPRadio/videos> and will be posted on these sites after the meeting.
- 2. Secretary's Report.** Tom Puglisi reported for Treasurer Dave Thatcher that CAN's bank balance is \$4,035.67 (no change from last time), and the Email distribution list now contains 744 recipients.
- 3. Cambridge City Budget.** Chuck summarized the recently released Cambridge City Budget which separates the operating budget (the General Fund) from the many Special Projects in which the City is engaged. Total revenue for the General fund is projected to be \$17,462,224, an increase of \$835,664 over last year. The revenue for the General Fund comes mainly from Real Estate Taxes, Personal Property Tax, and Income Tax. The total includes \$300,000 of the Federal ARPA funds which is the last year of this program. As to Expenses, they are projected to be \$16,872,380 which is \$589,844 below revenue. That surplus will probably cover overages for construction projects that inevitable encounter unforeseen problems. Chuck praised outgoing City Manager Tom Carroll for his vision in developing this budget, and introduced. Mr. Carroll Balanced, the speaker at tonight's meeting.
- 4. City Manager Tom Carroll.** Outgoing City Manager, Tom Carroll presented a brief statement highlighting his impressions of the community, the revamped structure of City government, the 2025 City Budget, and his perspective on Cambridge Harbor and Cambridge Waterfront Development, Inc. Sharon Smith served as moderator for questions from the audience.
 - a. Impressions of the Community.** Cambridge has much more potential than it has been able to realize and suffers from a deep a racial divide that the City needs to address in a constructive way. One third of our community is made up of working poor, and 50% of kids in Cambridge live below the poverty level. The City has been unable to meet the needs of its residents. Some areas of the City pay high taxes and get little in return for their investment, while other areas do not pay their fair share. For example, there is rental property on Douglas Street (which is plagued by active drug dealing) that generates income of \$18,000 per year for the owner, but

the house is valued so low that it pays only \$300 per year in taxes. There are approximately 1000 houses like this in Cambridge, and this represents the essence of our tax base problem.

- b. **City Government.** Over the past couple of years, Cambridge has restructured City Departments and reached the point where City employees are finally earning a living wage with competitive salaries. For example, the City is now able to add police officers because police salaries are competitive with other areas on the Shore. The Recuse Fire Company, which is made up entirely of volunteers, handles 1200 calls per year, thereby providing millions of dollars of service to Cambridge each year with only about \$800,000 in support from the City. The City Engineering Department has been very busy with many projects to manage, including an \$8M sewer project to address aging systems, in addition to performing preventive maintenance. We have hired a new City Engineer, while the retiring City Engineer has agreed to stay on for an additional year to help with the workload. Consolidation of the Municipal Utilities Commission (MUC) and Public Works Department is beginning to show positive economies. Housing, code enforcement, and planning operations are improving. An Administrative Services Department was created to handle personnel matters and to update policies. City government will get better and better every month. Finally, an allegation of misconduct in the Building Services Department is being investigated, and results will be reported to the public.
- c. **FY2025 Budget.** The budget represents a contract with citizens regarding what the City intends to do for the coming year. The biggest expense in the General Fund is the Police Department, followed by Buildings and Grounds, Sanitation and Waste, Highways and Streets, and Debt Service on loans.
- d. **Cambridge Waterfront Development, Inc. (CWDI).** Mr. Carroll is leaving Cambridge because of his concerns about CWDI. The City filed a lawsuit yesterday alleging breach of contract by CWDI for failing to request proposals, select a master developer, and release information transparently, as required under its Charter. Instead CWDI, a nonprofit organization funded by public money, has decided to serve as the master developer for the project and is not bringing in investment from private developers. The project does not provide sufficient generated value to justify the public expenditure that CWDI has proposed. The Tax Increment Financing (TIF) proposed by CWDI is overly leveraged and will not be beneficial to the City. The lack of transparency for expenditure of public money is unacceptable. CWDI feels that is responsible only to itself.

5. Questions from the Audience (Q) and Answers from Mr. Carroll (A).

- a. **Q:** What would Mr. Carroll recommend that citizens do to influence CWDI? **A:** Citizens should (i) contact City Council and County Council members and make their views known to them; (ii) support Delegate Hutchinson's efforts to bring about a positive outcome; and (iii) be active and involved in the evaluation of any TIF that is proposed. The City is about to engage experts to evaluate TIF options.
- b. **Q:** What Council Commissioners need to be approached by citizens. **A:** The fundamental problem is that CWDI has heard the complaints of the Council and the citizens but has failed to respond appropriately. Mayor Rideout, as sole owner of the corporation, has taken a bold

more to amend the articles of incorporation. CWDI has failed to respond constructively, and the City Council has taken action to bring suit against CWDI. More sustained scrutiny and attention from citizens is needed.

- c. **Q:** The April 18 CWDI meeting suggested that a master developer would take the best land and not develop the parcel properly or fairly. Is this correct? **A:** If CWDI hasn't found the right developer, it needs to keep looking. Cambridge Harbor is a desirable site and will attract a successful developer if CWDI keeps looking hard enough.
- d. **Q:** What is the vision for the Land Bank? **A:** City Council formally created the Land Bank about a month ago with a \$1M investment. The plan is to purchase parcels with dilapidated properties and then sell them as a redevelopment opportunity to facilitate projects like what Habitat Choptank is doing on Wells Street. The City needs to be an advocate for tenants who are being exploited by landlords who refuse to maintain their properties. The Land Bank can serve that function, as well.
- e. **Q:** What is the ideal government structure? **A:** The Council-Manager form of government provides better controls and greater efficiency than other government structures. Ultimately the elected leaders hold the responsibility, and the manager concentrates on government efficiency, effectiveness, and equity. The government here is still somewhat clunky with many boards and committees and needs to be streamlined and consolidated.
- f. **Q:** Mosquito problems occur in certain areas of Cambridge. **A:** Residents should contact the City Manager to investigate possible health hazard causing this problem.

Maryland General Assembly Delegate Tom Hutchinson (who represents District 37B which includes parts of the city including Cambridge Harbor) remarked that the 2025 City budget is the best he has ever seen. He noted that the State has invested \$9M in the Cambridge Harbor project, and that he intends to protect this investment for the citizens of Dorchester County.

Chuck thanked Mr. Carroll for his two years as City Manager and for coming to the CAN meeting tonight.

The meeting was adjourned at 8:00 pm.