

**Open Work Session  
Donation of Land  
October 3, 2017**

Mr. Weston Young, Assistant Director of Administration, came before Council. He said the County was approached about a potential donation of property. He said it is located off Connelly Mill, north of Henry Parker. He said they had it appraised, and the return value of said donation was \$1,060,000. He said the site is located within City limits, and there are no utilities going to it currently. He said portions of it were used for borrow areas to help build the bypass. He said it is zoned R8, which is City zoning that allows for 8,000 square foot lots, which is about five per acre, and total acreage is 234. He said he thinks it is a little premature to say there is any specific usage for this. He said he thinks they see potential for either expansion of ballfields of the Henry Parker Complex, or some complimentary use. He said it could also be used as a borrow area where it seemed to have suitable material for the Bypass, and it could have suitable material for other construction projects, or even cover for the landfill. He said it is currently used unofficially for outdoor recreational activities, and they could embrace that and put something similar there, in terms of BMX or vehicle off-roading, but liabilities go along with that. He said a portion of it is over the Paleo Channel, so keeping that protected helps protect the water supply there as well. He said Council has been provided a copy of the appraisal in their packet. He said their main contact within the partnership who currently own the property is Mr. Smethhurst. He said one of the main requirements is, if the County accepts the donation, they handle it all in this calendar year for tax purposes. Mr. Dodd asked if Mr. Smethhurst is the attorney, to which Mr. Paul Wilber responded, he believes he is part owner. Mr. Joe Holloway said the comment was made that it could be used for Henry Parker for more ballfields. He then asked Mr. Young if he has walked the piece of property on the north side of it, to which Mr. Young responded, he has driven his Jeep on the roads there, and it would require some grading, especially with the borrow areas there. Mr. Joe Holloway said that is not on the north side, he is talking about the south side near Henry Parker, to which Mr. Young responded, on the south side there is a creek there, and it is low. He said it is a sensitive area, which they would not want to touch. Mr. Joe Holloway clarified they would not put more ballfields on the south side, to which Mr. Young responded, no, they would avoid that, but further north there could be some valuable properties. He said he thinks it would be a complimentary relationship to the Henry Parker Complex. Mr. Dodd asked Mr. Young what he means by complimentary, to which Mr. Young responded, it would be expanding the park there. Mr. Dodd said he thought they could not put ballfields there, to which Mr. Young responded, they can put other resources. He said the City-owned portion of the Henry Parker Complex contains mountain bike trails, running, and hiking trails, so this could be more of that. Mr. Matt Holloway said part of that land is potentially suitable for ballfields, to which Mr. Young responded, yes, further north. He said near the creek it would not be suitable for ballfields. Mr. Joe Holloway said it would not connect Henry Parker, to which Mr. Young responded, the thought was they could have a pedestrian walkway connect over the creek. Mr. Joe Holloway asked Mr. Young if he has walked through there, to which Mr. Young responded, he knows it is deep. Mr. Kilmer said he has a question in reference to Pirate's Wharf, which people were trying to use for recreational purposes. He said the County put up a bunch of no trespassing signs and shut it off. He said they have a variety of County property that the County does not really allow the public to use. He said he knows there are some fields that are being farmed, and Pirate's Wharf forest is going to get thinned. He said he appreciates Mr. Young saying "we could do this, we could do that," but it does not seem like the County actually does that with any of the other land they own. He said, again, people want Pirate's Wharf, and the County put an end to that really quick. He said he understands the County could do all of these things with this land, but they have all this other land they are not doing anything with. He said if they want to have

hiking trails, the people were begging the County to do that with Pirate's Wharf. Mr. Kilmer pointed out he is just using Pirate's Wharf as an example. Mr. Young said Pirate's Wharf is a great example. He said it was acquired with Project Open Space money, and the intention of Project Open Space money is property open for everybody. He said he thinks there was a change in vision, in terms of what was proposed there, and most of what is on the river side of Whitehaven Road is in the critical area. He said, therefore, any sort of structure is out of the question, unless major efforts are made to build that land up and get the various permit approvals. He said he thinks they should have a work session with Steve Miller to discuss this, because it is not his area of expertise, and to talk about some of these areas and what they are doing. He said, in reference to Pirate's Wharf, which is a separate subject, they are looking at getting a committee involved in terms of what can be done there. He said a lot of the farm leases are being moved to one year leases. He said this way, if the County goes to do something, they are not impacting somebody's three-year commitment where a farmer has projected their business into multiple years. Mr. Kilmer said he can appreciate that. He said it just seems to him that the County has a pretty good track record of acquiring property for good purposes thinking they can do all these projects with it, but then the County does not do that with it. He said, for example, the land on Rockawalkin Road where there were great plans for a park, which is being farmed now. He said, therefore, he is hesitant to say "oh, let's get more property", when the County does not have a plan, and they have all this other land. He said he thinks the County bought a lot of the other land, so this is a little bit different in that way, but then 30 years later he does not want to have the same situation as Pirate's Wharf. Mr. Young said he is not as familiar with the Rockawalkin Road piece, but he does know that when property is purchased with Project Open Space, it comes with a lot of strings, and the ability to offload it because the County is not doing anything with it becomes troublesome. Mr. Cannon asked if Mr. Young knows what the property north of the potential donated land area is being used for, to which Mr. Young responded, he thinks it is just farmland. Mr. Cannon then asked if they have to irrigate that property, to which Mr. Young responded, he is not positive. Mr. Cannon said he thinks it is a question they ought to ask, because the only use of this property for immediate use that might help offset some of the loss of property taxes could be if the County could lease this as farmland, but, as the map says, it has to be irrigated. He said this is just the yellow area, and the red area, obviously, they cannot farm at all. He said, but the yellow area, from what Mr. Young's map says, is prime farmland if it is irrigated. Mr. Young said there is farmland between Connelly Mill and the property being donated. He said it is not part of their map. He said the tillable farmland that is out there is not part of the donation. Mr. Cannon clarified, he is talking about the yellow section on the soil map on page 15. Mr. Young said that section is actually wooded, and that is the primary area where the borrow pits are. He said there is a significant drop of many feet when driving back there. Mr. Cannon said the only thing he is anticipating was a best-case scenario where they could lease this as farmland, but, obviously, that is out. Mr. Joe Holloway said, looking to the left of that farm field is where the right of way is, and then there is a railroad to the extreme right of that property that runs along there, and that is the borrow pit. He said when Mr. Young talks about using the borrow pit, it is going to be tough to get mining permits, to which Mr. Young responded, it would not be allowed in the City, and he thinks the way it had been done was to say they were stormwater ponds. Mr. Joe Holloway said to be able to use it for a borrow pit is probably going to be a stretch. He said if you agree or do not agree with the appraisal, he thinks it is kind of a stretch, and he thinks if it was worth that much money, it probably would have been sold. He said it is a piece of industrial property in the City. He said if it was suitable for something, he would think at some point in time it would have been sold. He said, anyway, a million-dollar gift is kind of hard to turn down, he would think. He said they also have to look at the fact that anything anybody gives is really not free, because they are going to have expenses in taking care of it. He said one thing they will lose would be tax revenue. He said he thinks about 10 percent of the properties in Wicomico County are off the tax rolls already, to which Mr. Young responded, yes, between State and Federal, and Chesapeake Forest

land the DNR owns. Mr. Joe Holloway said this would be more land going off the tax roll. He said, going back to Mr. Kilmer's statements, the County has land east of Salisbury, they have land west of Salisbury, they have land south of Salisbury, and they have all this land they have acquired over the years with all these visions, but nothing has ever been done with it. Mr. Young said that is something they definitely need to look into, because why have it if they are not using it. He said the County had property off Naylor Mill with a house the County had rented out for a while, and it was because they thought Northwood Drive was going to be continued. He said this is one property they are looking at parting with because the road is not going to be expanded. He said, however, years ago, that was the intention, and they acquired this property as part of that intention. He said the County is not in the house rental business, and they are not in the farm rental business. He said they really want to look into this, and he thinks they need to look at every County-owned property to ask themselves if they are actually using it, or is this something the County can offload. He said, again, the Project Open Space purchased properties are an ordeal, but it can be done, and they need property they are going to transfer it to. Mr. Joe Holloway said this property would be good for the State to own for a State park. He said, when looking at the south side of that property and the way that land is laid out, it is beautiful. He said he has made a couple of trips out there to walk it. He said he does not know if Recreation and Parks is set up that way. They currently have ballfields and soccer fields, and such, and this is more of a hiking and biking type of situation. He asked if that is something the County needs to get into. Mr. Young said he thinks the ultimate use is something they can speak about. He said what they have before them is a group who is looking to donate to the County. Mr. Wilber said one thought would be, if the County took the donation, but then decided they have no good use for it, they can always figure out a way to offload it to State or private. Mr. Young added, or they could always sell it. Mr. Hall said, as he understands it, somebody wants to give the County a million dollars, and because the County does not need it, they do not think they should accept it. He said, however, it is encumbered because they are paying \$18,000 in taxes, and at \$18,000 it will take them 50 years to get to a million dollars, and in 50 years, none of them will be here, and in 50 years, he hopes they can decide what to do with the property so it will be worthwhile. He said, because it is unencumbered, Mr. Wilber is correct, in that the County can go ahead and sell it anytime they want, unlike Pirate's Wharf, which they cannot sell. He said, even if the County received half a million dollars for it, they still come out half a million dollars ahead. He said it is foolish not to accept a million-dollar donation. Mr. Joe Holloway said he kind of agrees. He said he is looking at it very seriously, and he is thinking how can they turn down a gift that is worth a million dollars. But they would also be taking more property off the tax rolls, and he wonders how much land should the County own. Mr. Cannon said he was hoping they would have a more exact idea of some type of plans for the usage of this land, whether in the near future, or ten years out. He said he would like to treat it as if it is a purchase, as opposed to a gift, and say this property has been appraised at a million dollars, so what benefit is it to the County, and what is the best use they can get out of it in the next ten years. Mr. Matt Holloway said they should use it for what it is currently being used for. He said it has a built-in revenue source right now. He said they just monetize the ATV park that is already established there with a built-in clientele, and the County can instantly make money on this property. Mr. Cannon said that is the kind of answer he is looking for. He said he is really trying to find out where the revenue stream is. Mr. Young said, the question is, does the County want to get into that. He said he agrees with Mr. Matt Holloway that they should analyze what natural resources are there, and how do they capitalize. He said the thought is that there is an existing ATV park, there is existing borrow pit areas, and his thought is it could still have usable borrow they could use on projects. Mr. Joe Holloway asked how much will people pay to ride their bicycles there, to which Mr. Matt Holloway clarified, it is ATVs. Mr. Young said they could require people to obtain a permit, and the County would just periodically spot check, just like off road at Assateague. Mr. Cannon said they are kind of spinning wheels. He said if they say they will make this decision in November, then between now and November, they need to have some realistic options as

far as what they think they can do with the property temporarily for revenue stream, and what they can do with this property for the County long term. Mr. Dodd said that is why he asked Mr. Young what he meant by complimentary, because he would hate to turn down this property, and then five years down the road the County needs it and cannot get it, or it is going to cost the County a fortune to buy it. Mr. Cannon said someone had suggested it could be used as an RV park for the Henry Parker Complex, but that is not going to happen over the Paleo Channel. Mr. Young said, looking at the topography and the fact that the borrow areas are there, he does not see that being a possibility. He said maybe a part of it, but, again, he thinks that would be a stretch since it drops off significantly the closer one gets to the creek. He said, therefore, that is going to limit whatever they do, and a pedestrian bridge may not even be warranted there. Mr. Cannon said putting a bridge over this creek had been discussed prior, but Mr. Joe Holloway has been there, and has said that is not going to work. He said they really need some realistic answers. Mr. Wilber said the only comment he will make is, in the proposal the owners have made, they want the gift to be completed by the end of the year, to which Mr. Cannon responded, he understands they do not have a lot of time. He said they will have one more work session, and then probably a decision will have to be made at a second work session. He said at the first meeting in November, Council will really need some specifics on what the County thinks they want to do with it. Mr. Joe Holloway said Mr. Young started off by stating there were no plans, to which Mr. Young responded, he thinks it is premature to say. He said, for example, with Pirate's Wharf, they still do not know what they are doing with it, and they have a farm lease. Mr. Joe Holloway said he is afraid that in two weeks they will end up with something someone has just thrown together to convince Council to take it. Mr. Young said, in reference to the taxes they will lose per year, the number he was given is to the tune of \$18,585.36. He said, as Councilman Hall mentioned, in 50 years what they will have lost in taxes, assuming roughly a 4 percent interest rate, will be a million dollars. He said, therefore, if they do anything in that 50-year timeframe, they come out financially ahead. He said he feels \$1 per permit for ATV usage would not be enough, and they would want something more to cover from a liability standpoint in case somebody breaks their neck out there. Mr. Joe Holloway said he is thinking about that, and thinking about the stock car races and drag car races in Delmar, and this is a motorized sport. He said when they talk about the lay of the land, it is going to be pretty dangerous. He said they would have to have an ambulance there when people are riding. Mr. Wilber said that is a LGIT question of how to best prevent liability. Mr. Joe Holloway said maybe they need to talk to LGIT before they make any plans about an ATV park. Mr. Dodd said he does not think there are any around, so it is probably a good idea. Mr. Kilmer said that begs the question, though, that if it is such a great idea to have an ATV park there, why is this not being used privately as an ATV park. He said why is there not some businessman out there. Mr. Matt Holloway said it is being used privately, it is just not being monetized, because they do not want to carry the liability, to which Mr. Dodd added, it is probably being done illegally. Mr. Cannon said he thinks part of what comes with any ideas as to the future use of the property would also have to include the infrastructure, and what type of infrastructure commitments the County would have to make in order to monetize this property, or whatever else they decide. Mr. Young said, with any option, they will have to look at all of the costs to get it up and running. Mr. Cannon said they need something a little more specific by the first meeting in November, because they do not have much longer before they have to make that decision. Mr. Young said, when this donation was presented, the Executive was interested because of its proximity next to Henry Parker. He said, therefore, they had the appraisal done, but they have not had that much longer than when they presented it to Council. Mr. Joe Holloway said one more thing to think about is, if they end up with it and turn it into an ATV park, they will have the environmental community all upset about that. He said they are not going to be happy about it. Mr. Matt Holloway pointed out they are already doing it. He said they will have to set aside a section where it goes down by the creek for a nature walking area. Mr. Young said in November he will have Steve Miller at the meeting. There was no further discussion.

  
John T. Cannon, President

Larry W. Dodd, Vice President, District 3

  
Ernest F. Davis, District 1

  
Marc Kilmer, District 2

  
John B. Hall, District 4

  
Joe Holloway, District 5

  
Matt Holloway, At-Large

  
Laura Hurley, Council Administrator