

Wicomico County Council
Open Work Session
July 1, 2014

Work sessions require written minutes that reflect each item that the public body considered, the action that the public body took on each item and each vote that was recorded. **It should be noted that at work sessions, the Wicomico County Council does not take formal action, nor is a vote taken on any item discussed.**

In attendance: All Council members, Wayne Strausburg, Director of Administration; Jack Lenox, Director of Planning and Zoning, Andrew Mackel, Director of Finance; Matthew E. Creamer, Council Administrator; Edgar A. Baker, Jr., County Attorney and Melissa Holland, Recording Secretary.

Mr. Lenox said that nothing new has been created and they filled in some of the blanks. He said there is a documentation of the process and definitions. He said the requirements of zoning and building is still in place. Mr. Lenox said they will evaluate the internal mechanisms for paper work. He said that his office is not the only ones that issue building permits and the municipalities do as well. He said this is for single family detached homes. Mr. Lenox said this will be a loan which will be forgiven once they meet the criteria. He said they need to get a building permit within thirty days and then initiating construction in three months. He said that initiation is the footer and foundation which is already established. He said substantial completion must occur within nine months of getting the permit. He said that substantial is the framing and the roof is on and the rough plumbing and electrical is in the house. Mr. Lenox said the Certificate of Occupancy has to occur within 15 months. He said that the developer, or the lot owner or the builder can apply for the building permit. He said the licensed builder is required unless a resident is building a home for his own use. He said a licensed builder is required to do the work and the owner of record is consenting to the placement of a lien if they default. Mr. Lenox said they have suggested that only five applications can be taken out at one time. He said that it is drafted that a modular home would be eligible and said that manufactured homes are not included.

Mrs. Prettyman asked if this would be retroactive to July 1st. Mr. Lenox said he doesn't see any problems with that but will need to discuss the mechanism. Mrs. Prettyman said that she believed that if someone did apply before the Council approved the grant then the grant would be retroactive. Mr. Mackel said they will have to ask them to delay the payment of the impact fee to avoid any confusion. Mr. Joe Holloway asked if a resolution was necessary to approve this if the Council gives consensus. Mr. Baker said if the Council gave consensus it can be treated as an Executive process and they just need Council concurrence. Mr. Creamer said a confirming resolution could be submitted at a later meeting and not delay the program. Mr. Strausburg said they will send a confirming document and if the Council concurs they will get the program up and running. Mrs. Bartkovich asked if it takes longer for someone to get a building permit in the municipalities to which Mr. Lenox said the cities and towns are a little faster. He said the county can't issue their own permit until the Health Department signs off.

Mr. Culver asked why it is necessary to have a certificate of occupancy in fifteen months. Mrs. Prettyman said the county is trying to jump start the economy and give people jobs. Mr. Culver said he would rather see the siding on the house (closed in). Mr. Lenox said there is not an interim step for closing in a house. Mr. Joe Holloway asked if a longer amount of time should be given to the builders. He also said that some builders don't put appliances in the house until ready for sale due to theft of the appliances. Mr. Culver is concerned about substantial and said it should be closed in. He doesn't agree with the certificate of occupancy being necessary in 15 months. Mr. Strausburg asked if closed in could be done in fifteen months. Mr. Matt Holloway asked if it could be tied into installation inspection to which Mr. Lenox agreed. Mr. Baker said at the end of fifteen months if a Certificate of Occupancy has not been issued the county goes out to inspect at that time to make sure they met the criteria.

Donnie Messick, Vice President of Robert L. Messick, Inc. came before Council. He said fifteen months is fine with him as if they build a house they want to sell it right away. He said the longer the house sits more harm could be caused. Mr. Messick said the installation inspection point is a good measure. Mr. Culver said the criteria should be the house should be closed in within fifteen months. Mr. Baker said one can be substantially completed and then another permit for an additional home can be applied for and they can only have five permits pulled at one time. Substantial completion will be closed in and during the installation inspection.

Mrs. Prettyman asked how many are in the pipe line for lot of record to which Mr. Lenox said it is very hard to say. He said there are approved plats which are not recorded and is not sure of the actual number.

Mrs. Sample-Hughes asked if further discussion was held at a meeting regarding only building in areas that have water and sewer.

Mr. Mackel said the tax rolls are comprised with existing properties and if someone is subdividing a property and it is not recorded with the state then it is not on the county tax rolls. He said that something will have to be pledged for the loan and if the loan fails he will lien the whole property and not the sub-divided property if the subdivision has not be recorded. He said the lot is on the tax roll at the time of building and the value of the improvement will be added during the next assessment cycle.

Mrs. Prettyman asked that the Council be updated on a quarterly basis.

Ernie Colburn, Executive Director of Chamber of Commerce, came before Council. Mr. Colburn said that the Chamber recommends that this be restricted to single family detached stick built homes on site of existing lots of record and ask that manufactured and modular homes not be included. He said the Chamber is advocating that the manufacturing and modular homes are not quality products even though they meet codes and have an excellent price point. Mr. Colburn said with a stick home many different sub-contractors are needed, however that is not the case with manufactured and modular homes. He said the Chamber asked that the county establish a timeline for action so funds do not lapse into FY16 budget and expire. He said that the Chamber

encourages as many local contractors to apply but have grants open to all contractors that qualify. Mr. Colburn said they also believe that the number of pending applications that a single contractor has open should be restricted. He said that the Chamber would like to see the county establish a level of completion that a contractor could then apply for additional grants up to the restricted pending number. He said that the county should develop a “contractor default of loan obligation” in the form of a lien against the real property account including any related recovery costs to Wicomico County. Mr. Colburn said that the Chamber asks that Planning and Zoning Permits Division provide quarterly updates on the progress of this program. He also said the Chamber recommends that the county convene a committee to review progress after 6-months and near end of FY15 with future recommendations to continue/discontinue or expand program based on committee assessment and present findings to the Council.

Mr. Culver said he understands that the modular is being manufactured in a different location they are still using workers to build the homes and if they are sold people are building them and he said they have the same requirements to build. Mr. Mackel said some Wicomico County citizens do work outside of Wicomico County. Mr. Baker said the Council can restrict the grant. Mr. Culver said there is a sales office in Wicomico County for Beracah homes.

Mrs. Prettyman asked if the person receiving the grant has to be a resident of Wicomico County. Mr. Strausburg said he is willing to give an update on this to the Council on a monthly basis. Mrs. Prettyman said the resolution should state that the grant will be available limited to the funds appropriated in the annual budget.

Mrs. Sample-Hughes asked what the temperament of her colleagues was as far as restricting development to areas that have the utilities already in place. Mr. Joe Holloway does not feel that it should be restricted due to the new BAT systems that are being put in the water is very good and has cut down on the pollution. He said that he asked how much sewage the City of Salisbury puts into the river and was never provided that information. Mrs. Prettyman said she feels it would be more difficult for a builder due to the amount of vacant lots. Mr. Joe Holloway said that most people that want to build a home in Wicomico County don’t want to be in the city. Mr. Hall said if it could be restricted to areas that have water and sewer the county would be better off environmentally. He does not feel by excluding the other areas of the county it would not jump start the economy. Mr. Joe Holloway said that at a previous meeting Mr. Gary Mackes said only 14% of the county is developed to which Mr. Lenox will confirm. Mrs. Bartkovich feels it should be for all areas of Wicomico County. Mr. Joe Holloway said he would like to know what other jurisdictions in the area have done with their impact fee. Mr. Lenox said he will differentiate the impact fees and excise taxes. Mrs. Prettyman said the municipalities don’t contribute to the schools and their fees are for utilities.

Mr. Strausburg said they will bring the Council a written document for approval. Mrs. Prettyman would like to also see a resolution adopted to confirm the program. Mr. Strausburg said it will be placed on the transparency portal on the county website.

Mr. Culver thanked the Council for all of their work on this program.

Open Work Session Adjourned.