

Open Work Session

To Discuss the Purchase of 810 Second Street, Delmar, MD

July 7, 2020

Mr. Miller said he is here to talk about the potential purchase of property in Delmar, for which they had a Work Session a couple weeks ago, and he has a couple updates as to where things stand based on the concerns Council brought forth. He said one piece of information he neglected to share the last time is that Mr. Marshall, who owns the property and would be the potential seller, has done a significant amount of clearing at the property as there was a lot of overgrowth and trees. He said he has before and after photos if that would interest anybody, but some work has been put into the property as far as clearing, and he just wants to bring that to Council's attention. He said, based on the last Council meeting and the concerns that were brought forth, they re-approached Mr. Marshall about the price, and his position is unchanged as far as his asking price for the property, so that remains at \$38,000. He said Mr. Marshall has informed him that he has another buyer if the County is not interested in the property, so this, obviously, is the will of the Council. He said, for his part from where he sits, his feeling on this is it is a great opportunity for both the County and for the Town of Delmar, and the residents on that side of the County. He said, if the County accepts the asking price, they are looking at a \$4,000 investment for a little over an acre of land that would complete an existing property the County has, and would really allow quite a few options to improve that property. He said he would be happy to revisit or answer any questions Council might have, but their situation is similar to what it was.

Mr. Cannon asked how this whole process began where the County became aware of the fact that the property was available, and how the negotiations began, to which Mr. Miller responded, they originally either saw it listed, or someone drove by the property because the County owns the other, and saw the sign there. He said, when they purchased the other two lots a year ago, they tried to reach out to that property owner, but were not successful. He clarified, the County wanted to acquire all three lots at that time, but it was not listed at that time. He said he cannot recall specifically how they came upon this, but the direct negotiations went through the County Executive's Office and Mr. Wilber's office, and he was kept in the loop. Mr. Cannon said someone would have had to have made a phone call to somebody else saying the property is available, to which Mr. Miller responded, again, he cannot honestly recall if they saw the sign or if someone called. He said he does not recall how they were first made aware of it.

Mr. Holloway asked which real estate agency had it listed because he did not think it was listed by a real estate agency, to which Mr. Miller responded, it was through Marshall Home and Land. Mr. Cannon said it is listed through the owner.

Mr. McCain said he appreciates Mr. Miller's comments about the importance of this to the Delmar Little League. He said he would like to see the County do this, but he knows there are some concerns about the fact that it is a little bit more than the appraised value, which is not unusual, and sometimes that happens. He said, whether it is the County, State, City, or government entities in general, sometimes they have to pay a little bit more because they do not want to talk about taking properties via eminent domain. He said, if they have to go that route, that is very expensive, and they could spend more money than what the lot is even for sale for. He said Mr. Miller commented about the fact that it is going to cost the County \$4,000, but they get over an acre of land, and, of that whole big block of the sports

complex, this is the last piece of land, so it would be a shame for the County not to acquire it, especially given what he thinks the residents and youth of Delmar are going to get out of this. He said, for a little history on this, 40 years ago his father was the Mayor of Delmar, and was instrumental in getting the Mason Dixon Sports Complex started. He said here they are today 40 years later, and it has grown, and is still a vital part of the community, so, just personally, he would definitely like to see this move forward because it is good for Delmar.

Mr. Dodd asked if there is a need for this property, or is it just something that would be nice to get right now, to which Mr. Miller responded, he thinks it is both. He clarified, it is a great opportunity to complete that property that may never come again, so he thinks it is a convenience in that respect, but he thinks it is a need in the respect that part of the rationale of purchasing the other two lots was that there is a real parking issue, which, in turn, is a safety issue in Delmar. He explained, people park along the railroad track, and there are accidents all the time with people backing in and out, so getting people off that and onto these new lots was part of the motivation. He said he thinks, if the County acquires this third lot, they should have a public process with the residents in Delmar, and seek input from the Little League and the Town. He said he thinks one of the opportunities is that there is a very run-down restroom and concession facility there that they could potentially relocate to this piece of property, and get all of their parking, playground, and main building there away from the railroad tracks, and he thinks that would really complete that park. He said they are starting to host more tournaments, and they are hosting again this weekend, and they are hosting part of their World Series, so the Little League is pretty strong locally. He said he thinks it is both a convenience where the County would certainly survive without it, but he thinks it is an opportunity that he would hate to see the County lose.

Mr. Holloway said Mr. Miller said there were a lot of accidents there. He then asked if Mr. Miller has the statistics on how many accidents there have been, to which Mr. Miller responded, no, he does not have that. Mr. Holloway asked if it is that property causing the accidents, to which Mr. Miller responded, no. He said he thinks what is causing the accidents is people are parking perpendicular to the field towards the railroad tracks, and then backing out into traffic, and he is speaking from experience just having lived and coached in Delmar. He explained, there was a day he was at the coach pitch field playing with 7 and 8-year olds, and they heard a big crash, so turned and looked. He said someone was backing out and slammed into something. He said it happens on a regular basis, and he thinks just the foot traffic that goes across that road is something he would like to see reduced or go away. He said they do not need people sprinting across that road when people are flying down it. He said, as Council knows, it is a long, straight road, and sometimes people go faster than they should, and he thinks it is a safety issue.

Mr. McCain said the biggest concern of the complex since it started years ago was that parking was going to be a challenge. He said it is just second nature that people park near the railroad, but the problem with that is everybody has to cross that road, and then they have to back out on that road. He said every car that comes there brings kids, and the kids run across the road, but then go back across the road, and it is far from ideal, so anything that could help draw people away from that would improve it. Mr. Davis said the people parking against the railroad tracks are trespassing because it is against the law to park that close to a railroad track. Mr. Dodd then asked how purchasing this property will prevent people from parking along the tracks, to which Mr. Miller responded, he does not know if it would prevent or eliminate it, but it would provide much better options that are more centrally located to the

amenities. Mr. Dodd asked if they would turn it into a parking lot, to which Mr. Miller responded, he thinks they could, but he envisions the other two lots the County purchased as parking, and this being adjacent to it. He said he thinks there are a lot of options, and he does not know that they are prepared to decide that tonight because he would like to see public engagement on that. He said, absent of available or good parking, people find new and clever ways to park, and they will do it illegally or legally, and that creates other issues. Mr. Dodd said the police station is right next door, and they still do it.

Mr. Holloway said they have two appraisals, one for \$33,000 from Trice, and one for \$35,000 from McCain, and that averages \$34,000. He said he does not know what the County's history is for paying more for land than it is appraised for, but he is willing to go with the higher appraisal instead of the average, and he thinks that is a fair price. He said Mr. Marshall says he has other buyers, but last night Mr. Marshall was texting people on the Council saying they need to buy this, so he does not know why Mr. Marshall is pushing Council to buy it if he has others interested in it. He said that seems kind of odd.

Mrs. Acle said she agrees with Mr. Holloway, and thinks \$35,000 is reasonable. She said they need to be fiscally conservative during this time with COVID, and \$35,000 seems like a reasonable amount, to which Mr. McCain responded, Mr. Miller already approached Mr. Marshall with that. Mr. Miller confirmed, after the last meeting they asked Mr. Marshall, and he heard the comments from the Council meeting, and told them no. He said at this point it is in Council's court as to whether they want to push that issue and run the risk of losing it. He said he would not, but, again, they will do what they have to do.

Mr. Dodd said Mr. Miller is right that the ball is in Council's court right now, and Mr. Holloway offered an option, but it sounds like Mr. Marshall is not going to accept that, so what are they going to do?

Mr. McCain said, getting back to Mr. Miller's comment, he hates to see the County miss this opportunity for \$3,000. He said he agrees with everybody, and he would like to see the County get it for \$35,000, but if the seller is not going to sell it to them for \$35,000, then they have a decision of whether they are going to spend \$3,000 more to be able to get an acre of land, and that is a pretty good deal.

Mr. Hastings said, in the late 1980s, he was one of those kids running across the tracks to go play some soccer and baseball. He said they are a County that is really well known for their Parks and Recreation, and this is part of who they are, and he thinks this is something they can continue to build on. He said, if they can provide more open space for their youth, this is something they can continue to build on. He said it is a difference of \$4,000, and no one likes to spend extra money, but, ultimately, this is Program Open Space dollars, and they may not have those dollars if they do not continue to spend them now. He explained, the State of Maryland has made it pretty clear they are going to bond fund that money in the future, so the more they can use those dollars now locally or for any kind of State Parks, the better. He said this is a small amount of money for a good purpose, so he thinks it is a positive thing, and he does not have any problem paying the asking price of \$38,000. He said Mr. Marshall is already going to be losing money no matter what, he thinks, given what has happened to the property since it was originally purchased, and he is sure closing will cost even more money. He said, for a small amount of money for something that sticks within the County's image, he thinks it is a positive.

Mr. Cannon said he thinks the reason Program Open Space establishes very strict parameters is because they want to make sure everybody is paying and receiving a fair amount for the value of a piece of property under any circumstances. He said, with that in mind, the average came out to \$34,000. He said \$38,000, of course is \$4,000 more, and then Mr. Holloway suggested \$35,000, and he could live with that. He said, but then to say it is only \$3,000 more than that is not really true because originally it was \$34,000, and the owner is asking for \$4,000 more, which is more than a 10 percent increase on the value of the property. He said Program Open Space sets these parameters for a reason, and they say the average is \$34,000, Mr. Holloway says \$35,000, and he is okay with that, to which Mr. McCain responded, that was what Council discussed at the last meeting. Mr. Cannon said he understands, and this is a Work Session for Council to each explain what their perspectives are, and he has explained his perspective, to which Mr. McCain responded, but Mr. Cannon is repeating what Council already discussed. He said Mr. Cannon is acting like Council just discovered that, but that is what they discussed at the last meeting. He said Mr. Holloway made that suggestion, and Council decided and authorized Mr. Miller to offer \$35,000, to which Mr. Cannon responded, exactly, and he is staying with that. He said that is his comment, and this is a Work Session, and his comment is he wants to stay with the \$35,000.

Mr. McCain said he has to make the following comment; they should be here as a Council to make things happen to make their community better. He said the question should be how they can make this work, not how they can make it not work. He said he is open to other solutions to make it work to look at where they can get this \$4,000 from. He said the County has \$42 million in rainy day funds, and he can get his phone out and do that math, but he is not sure if enough zeros are going to fit on his phone. He said, if he takes \$4,000 and divides that by \$42 million, that is five zeros after the decimal point, so he needs a mathematician to help him with that because that is somewhere in the hundred thousandths of a percent range. He said Council should be here asking how they can get this done, not how can they not get it done, to which Mr. Cannon responded, he thinks they have done that. He said Program Open Space says they will accept the average, which is \$34,000, and he thinks it is a generous offer for Council to say they will pay \$35,000, and they will take that money out of the taxpayers' pockets. He said he does not agree with Mr. McCain because anybody can compare the fact that \$3,000 is only one-tenth of one-thousandth of one percent of their budget, but he does not care because \$3,000 is still a lot of money to him, and he would hope it is still a lot of money to every Member of the Council and their taxpayers in Wicomico County. He said they are trying to get this done, and Mr. Holloway is suggesting they go \$1,000 above what was recommended, and he can agree with that. Mr. McCain said he wishes Bill McCain, Senior was here because he was an example of somebody who looked at how to get something done, not how to not do something, to which Mr. Cannon responded, he does not agree with that. Mr. McCain then asked, then what is Mr. Cannon's resolution to get it done?

Mrs. Acle asked if there is something along the lines of what the County did with Field 7½ as a fundraiser to make up the difference of \$3,000, to which Mr. Miller responded, he supposes that is an option. He said there was a different draw for that project, so, if Mrs. Acle is suggesting a fundraiser type thing, there is no guarantee in that, but he supposes that could be explored. Mrs. Acle said, when a community has something vested and has donated money to it, they tend to embrace it more, and take more pride in it. She said she likes the fundraising idea Mr. Miller did for Field 7½, and she does not know how much was raised from that, but she thought it was well done.

Mr. Holloway said Mr. McCain mentioned the rainy-day fund, but one of the reasons the County has a rainy-day fund is because they have not been frivolous with the money in the past. He said, if the property was worth more, it would have appraised more, but it did not. He said Mr. McCain is an appraiser, and he thinks when appraisers look at a piece of property, they look at what the best use and value of that property is, and that is what they appraise it for, but he does not understand why it did not appraise for more.

Mr. Davis said, if they use it as a parking lot, they can also look at it that it will help out the Delmar School. He clarified, he does not know if any of Council have ever been there when they have dismissal, but that is a crowded place, and they use part of that on the corner as parking now. He said Delmar Elementary has no room to expand to make a parking lot, so this would help them out as far as parking if they make that a parking lot on that side where it is at. Mr. Holloway said then they will have people running back and forth across the street, and that is what they are trying to get away from now, to which Mr. Davis responded, that is a different street. He explained, the property itself is on another street, not on the street by the railroad tracks.

Mr. Dodd said Council has the option on the table, so what is Council going to do? Mrs. Acle then asked if the fundraiser is even going to be discussed, to which Mr. Dodd responded, that was a question she asked Mr. Miller. Mr. Miller said the real question is if the County will accept the asking price of \$38,000, and, as far as how the County comes up with the \$4,000, his plan was for it to come out of the Recreation and Parks budget. He said, if they were to find some other mechanism to do that, they could certainly explore that, but he guesses the question would be, wherever that funding comes from, is the County willing to pay the asking price. He said, if they are not, he does not know whether Mr. Marshall has another buyer or not, but he says he does, so they run the risk of losing it. Mr. Holloway said the County is fundraising all the time. He clarified, everything Recreation and Parks does is fundraising because they charge fees for what they do, so they have already fundraised, to which Mr. Miller responded, a huge chunk of their budget is program fees, so, in that sense, they are doing that already. He said they lease this particular property to the Town of Delmar, so they do not realize rental revenue from that because it is part of that lease, and there is no annual fee with that.


Mr. McCain suggested they see how many Councilmembers are interested in paying the \$38,000, to which Mr. Dodd responded, he has been writing it down. He said Mr. McCain is okay with \$38,000, Mr. Hastings is okay with \$38,000, and Mr. Davis is okay with \$38,000. He said Mr. Holloway wants \$35,000, and Mr. Cannon wants \$35,000. He then asked Mrs. Acle how much she is okay with, to which Mrs. Acle responded, \$35,000. Mr. Dodd said he really wants to get the property, but he thinks they should not go any more than \$35,000.

Mr. McCain said he can get Mr. Miller the \$4,000. He clarified, he will pay the \$4,000 if he has to pay the \$4,000, to which Mrs. Acle responded, that is very generous of Mr. McCain. Mr. Hastings said they could take up a collection and make it pretty quickly, to which Mrs. Acle responded, she suggested a fundraiser. Mr. Hastings said he wants to secure this property. Mr. McCain said this is getting embarrassing, to which Mr. Holloway responded, he does not appreciate that. Mr. McCain said, but it is. He said they are here to do good for their community, and this is an opportunity to make good in the Delmar community. Mr. Holloway said Mr. McCain is calling the Council embarrassing because they are

sitting there debating this, to which Mr. McCain responded, he thinks it is embarrassing that they are not trying to do good for the youth of the Delmar community. Mr. Holloway said he thinks it is embarrassing to look at the appraisal and see that Mr. McCain's company appraised it, to which Mr. McCain responded, that is not the point. Mr. Holloway asked why Mr. McCain is doing that when he is sitting on the Council, to which Mr. McCain responded, he does not own that company, and has not owned it for a year. Mr. Holloway said, but Mr. McCain works there, and now he is sitting there and calling what the Council is doing embarrassing.

Mr. Dodd said the County is going through some tough times, and every penny counts. He then asked Mr. Miller to do what he can, and thanked him for his time.

Mr. Taylor said he would like to make one observation. He said the Code provides that no property or interest therein shall be acquired by condemnation or otherwise unless adequate funds for the same shall have been included in the capital or expense budget. He clarified, whatever price the County may negotiate, there is probably going to have to be some budget action because he does not think there is any appropriation for that right now, and that would not make any difference on whether it comes from Program Open Space funds or Mr. McCain's pocket, or his own pocket, it still has to be appropriated. There was no further discussion.



Larry W. Dodd, President, District 3




John T. Cannon, Vice President, At-Large



Ernest F. Davis, District 1




Nicole Ache, District 2



Josh Hastings, District 4



Joe Holloway, District 5



William R. McCain, At-Large



Laura Hurley, Council Administrator