



**MAYOR**

Brian K. Grim

**CITY ADMINISTRATOR**

Jeff Rhodes

**CITY SOLICITOR**

Michael Scott Cohen

**COUNCIL**

Seth D. Bernard

David Caporale

Richard J. Rock" Cioni

Eugene T. Frazier

**CITY CLERK**

Marjorie A. Woodring

## MINUTES

DATE: October 16, 2018

### **I. Closed Session**

1. 5:45 p.m. - Convene in open session for the purpose of closing the meeting for an Executive Session pursuant to Section 3-305(b) (7), and (8) of the General Provisions Article of the Annotated Code of Maryland to obtain legal advice regarding matters related to the CSX bridges and to consult with staff regarding the CSX matters
2. Executive Session

### **II. Open Session**

1. 6:15 p.m. - Reconvene into Open Session  
The Mayor reconvened into Open Session at 6:35 p.m.

### **III. Pledge of Allegiance**

### **IV. Roll Call**

PRESENT: Brian K. Grim, President; Council Members Seth Bernard, David Caporale, Richard J. Cioni, Eugene T. Frazier

ALSO PRESENT: Jeffrey D. Rhodes, City Administrator; Michael S. Cohen, City Solicitor; Marjorie Woodring, City Clerk; Lt. Chuck Ternent, Fire Chief Donald Dunn

### **V. Statement of Closed Meeting**

1. Summary Statement of Closed Meeting

Mayor Grim announced that a Closed Session had been held Tuesday, October 16, 2018 at 5:45 p.m. and read into the record a summary of that session, which is attached hereto and made a part of these minutes as required under Section 3-306 (c)(2) of the General Provisions Article of the Annotated Code of Maryland.

## **VI. Presentations**

1. Presentation by Robert Smith, City Engineer, on the Roadbotics program

Mr. Rhodes provided background on the Roadbotics program, which is a GIS based platform that is a smartphone mounted on the car that gives an in-depth picture with algorithms to assess the road and give a score. City Engineer Robert Smith went over the details of how the program works in regards to assessing the deformation and stresses of the roads and added that moving forward this platform will be used to identify which roads need addressed.

## **VII. Director's Reports**

### **(A) Public Works**

1. Utilities Division Flood/Water/Sewer monthly report for September, 2018

Motion to approve the report was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

2. Maintenance Division monthly report for September, 2018

Motion to approve the report was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

### **(B) Fire**

1. Fire Department monthly report for September, 2018

Motion to approve the report was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

### **(C) Police**

1. Police Department monthly report for September, 2018

Motion to approve the report was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

## **VIII. Approval of Minutes**

1. Approval of the Regular Session Minutes of July 17, 2018

Motion to approve the minutes was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

## **IX. Unfinished Business**

### **(A) Ordinances**

1. Ordinance (*2nd reading & 3rd readings*) - repealing and re-enacting Chapter 19 of the City Code, entitled "Public Ethics," for the purpose of complying with State legislation requiring that local ethics laws pertaining to elected local officials, conflicts of interest, and financial disclosure be equivalent or exceed applicable State law

Mr. Rhodes reviewed the proposed Ordinance that would update the City's Code to be in compliance with State laws.

SECOND READING: The ordinance was presented in title only for its second reading, tabled until next meeting.

After discussion, the Ordinance was determined to need its third reading. The Mayor called for a motion to rescind the previous motion. Motion was made by Caporale, seconded by Cioni, and was passed on a vote of 5-0.

The Mayor called for a motion to approve the second reading and move to the third, after comment. Motion was made by Caporale, seconded by Cioni, and was passed on a vote of 5-0.

Mayor Grim opened the floor for comments or questions. Being none, the Ordinance proceeded to its third reading.

THIRD READING: The Ordinance was presented in title only for its third reading and was adopted on a vote of 5-0

ORDINANCE NO. 3841

2. Ordinance (*2nd reading & 3rd reading*) - authorizing execution of a Development Agreement and Agreement of Sale with Cumberland Economic Development Corporation and Cumberland Gateway Real Estate LLC (CGRE) relative to the MD Ave. Redevelopment Project and the execution of a deed conveying 10 parcels of real estate in the project area to CGRE

Mr. Rhodes reviewed the proposed Ordinance that outlines the terms of the Agreement between the City, the Cumberland Economic Development Corporation and Cumberland Gateway Real Estate on the Maryland Avenue Redevelopment Project.

SECOND READING: The Ordinance was presented in title only for its second reading. The reading was interrupted and motion to suspend the second reading and move to the third after comment was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

Mayor Grim opened the floor for comments or questions. Being none, the Ordinance proceeded to its third reading.

THIRD READING: The Ordinance was presented in title only for its third reading and was adopted on a vote of 4-1, with Councilman Frazier voting No.

ORDINANCE NO. 3842

## **X. New Business**

### **(A) Ordinances**

1. Ordinance (*1st reading*) - enacting City Code Section 13-200 to regulate the solicitation of money or donations from occupants of vehicles by standing in roadways, median dividers, or intersections

Mr. Rhodes reviewed the Ordinance and Solicitor Cohen discussed the State permitting process regarding solicitation in the roadway.

FIRST READING: The Ordinance was presented in title only for its first reading. Motion to approve the reading and table for two weeks was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

### **(B) Orders (Consent Agenda)**

Mr. Rhodes reviewed each item on the Consent Agenda and Mayor Grim called for questions or comments. Motion to approve Consent Agenda Items 1 - 2 was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

1. Order declaring one (1) Rotary Lift, Model No. SP0A9-200 to be surplus equipment and authorizing its trade-in

ORDER NO. 26,357

2. Order approving Community Legacy funded Central Business District Facade Improvement applications for 29-35 Baltimore Street (\$1,885.96) and 206 North Centre Street (\$6,850.00)

ORDER NO. 26,358

## **XI. Public Comments**

Nick Gelles, 317 Pearl Street, had questions pertaining to all the vehicles parked on Pine Avenue in front of Mr. Taccino's house, and offered some suggestions.

Ed Taylor, 400 S. Allegany Street, invited the Mayor and Council to a monument project for a WWI soldier that is buried at St. Patrick's cemetery, on November 2, 2018, adding that this November marks the 100th anniversary of the end of WWI.

Wayne Hedrick, 206 Oak Street, had questions about a Letter to the Editor in the Times-News on October 12, 2018 pertaining to the MD Avenue Development Project, and also had questions regarding the agreement between the developer and the City.

All public comments are limited to 5 minutes per person

## **XII. Adjournment**

With no further business at hand, the meeting adjourned at 7:26 p.m.

Minutes approved on January 15, 2019

Raymond M. Morriss, Mayor

ATTEST: Marjorie A. Woodring, City Clerk



Regular Council Agenda  
October 16, 2018

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**Description**

5:45 p.m. - Convene in open session for the purpose of closing the meeting for an Executive Session pursuant to Section 3-305(b) (7), and (8) of the General Provisions Article of the Annotated Code of Maryland to obtain legal advice regarding matters related to the CSX bridges and to consult with staff regarding the CSX matters

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
October 16, 2018

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**Description**

Executive Session

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
October 16, 2018

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**Description**

6:15 p.m. - Reconvene into Open Session

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
October 16, 2018

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**Description**

Summary Statement of Closed Meeting

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**Mayor and City Council of Cumberland**

**Closed Session Summary**

Tuesday, October 16, 2018 at 5:45 p.m.

Second Floor Conference Room, City Hall

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On Tuesday, October 16, 2018, the Mayor and City Council met in closed session at 5:45 p.m. in the second floor conference room of City Hall to obtain legal advice regarding matters related to the CSX bridges and to consult with staff regarding the CSX matters. Authority to close the session was provided by the General Provisions Article of the Annotated Code of Maryland, Section 3-305 (b) (7) and (8).

Persons in attendance included Mayor Brian Grim; Council Members Seth Bernard, David Caporale, Richard Cioni, and Eugene Frazier; City Administrator Jeff Rhodes; City Solicitor Mike Cohen; Robert Smith, City Engineer; City Clerk Marjorie Woodring

On a motion made by Councilman Bernard and seconded by Councilman Cioni, Council voted 5-0 to close the session.

No actions were voted upon and the meeting was adjourned at 6:35 p.m.



Brian K. Grim, Mayor

**OCT 16 2018**

Entered into the public record on \_\_\_\_\_



Regular Council Agenda  
October 16, 2018

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**Description**

Presentation by Robert Smith, City Engineer, on the Roadbotics program

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
October 16, 2018

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**Description**

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Utilities Division Activity Report for Sept 18

**FLOOD CONTROL**

TEST RUN STATION PUMPS/RUN GATES

CLEANED SEEPAGE CONTROL BOXES

STARTED UP PUMP STATIONS/MONTIORED FLOOD WATER (9-9-18)

NORTH BRANCH POTOMAC RIVER FLOOD STAGE 17'/CREST AT 18'48"

WILLS CREEK FLOOD STAGE 10'/CREST AT 11'49"

MOWED 30 ACRES

CLEANED BULL PEN AND WASHINGTON STREET 3 TIMES

CLEANED CSO BUILDING 3 TIMES

CHECKED SEWAGE REGULATORS

**SEWER**

LINE LOCATOR	93	36	91	56	276
SEWER MAINS FLUSHED (FEET)					13,017'
CATCH BASINS CLEANED					21
OVERFLOWS CHECKED					4
CALLS ANSWERED					15
LINES/MAINS TRACED					115
CALL OUTS/OVERTIME				8 CO/44.5 HRS OT	
FLUSH WATER USAGE					15,000 GAL
OWNER TROUBLES					15
SEWER TAPS INSTALLED/REPLACED					1
TELEVISED SEWER MAINS					1,363'
HYDRO FOR WATER - 7 SITES (1 - NPL)					
HYDRO FOR SEWER - 5 SITES (1 - NPL)					
ONE STORM PIPE REPAIR - PIEDMONT AVE @ COLUMBIA ST (NPL)					
INSTALLED FRENCH DRAIN @ 512 LOWELL AVE (SEWER TAP)					
SAFETY MEETING					



Regular Council Agenda  
October 16, 2018

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**Description**

Utilities Division Flood/Water/Sewer monthly report for September, 2018

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**MAINTENANCE DIVISION REPORT**  
**September 2018**

**Street Maintenance Report**

**Parks & Recreation Maintenance Report**

**Fleet Maintenance Report**

**PUBLIC WORKS/MAINTENANCE  
STREET BRANCH  
MONTHLY REPORT  
SEPTEMBER 2018**

- POTHoles AND COMPLAINTS
  - Potholed 35 Streets and 7 Alleys using 44 tons of HMA.
  
- UTILITY HOLE REPAIR
  - Completed 6 Water and Sewer Utility Hole Repairs using 4 tons of HMA and 7 cubic yds. of concrete.
  
- TRAFFIC CONTROL SIGNS/STREET NAME SIGNS
  - Installed/Repaired 11 Traffic Control Signs.
  - Installed/Repaired 6 Street Name Sign.
  - Installed or removed 2 handicapped signs
  - Painted 4 curbs
  
- STREET SWEEPING
  - Swept 527 curb miles (approx. 104 cubic yards of debris).
  - Hauled 47 tons of sweeper dumps to landfill.
  
- MISCELLANEOUS
  - Completed 56 Work Orders.
  - Completed 1 Flagging Operation
  - Cleaned Underpass, McMullen Bridge, and Welch Ave. drainage ditch 5 times. We have now Included the 3 rail road bridges weekly
  - Picked up 7 dead animals
  - Completed tree and brush work in 8 areas
  - Set out and picked up traffic control for 2 events

<b>STREET MAINTENANCE- SEPTEMBER 2018</b>		9/3-9/7	9/10-9/14	9/17-9/21	9/24-9/28	TOTAL
SERVICE REQUEST COMPLETED		15	16	12	13	56
PAVING PERFORMED	TONS					0
CONCRETE WORK	CY					0
UTILITY HOLES REPAIRED	WATER	2	2	1	1	6
	SEWER					0
	CY		1.00	1.25	4.50	7
	TONS	4.0				4
POTHOLES FILLED	STREETS	20	5	7	3	35
	ALLEYS	5		2		7
	DAYS					0
	Cold Mix					0
	TONS	27.5	3.5	11.0	2.0	44
PERMANENT PATCH	CY					0
	TONS					0
COMPLAINTS COMPLETED						0
	CY					0
	TONS					0
TRAFFIC CONTROL SIGNS REPAIRED/INSTALLED		4		6	1	11
STREET NAME SIGNS REPAIRED/INSTALLED				4	2	6
HANDICAPPED SIGNS REPAIRED/INSTALLED/REMOVED						0
						0
				1	1	2
PAINTING PERFORMED	BLUE			1	1	2
	YELLOW					0
	RED	1		1		2
PAVEMENT MARKINGS INSTALLED	No.					0
STREET CLEANING	LOADS	5	5	8	8	26
	Miles	67	96	116	248	527
SWEEPER DUMPS HAULED TO LANDFILL	TONS		36.5		10.9	47
SALT BARRELLS - PICK UP, FILL	DAYS					0
CLEANED BALTIMORE ST. UNDERPASS		1	1	1	1	4
CLEAN SNOW EQUIPMENT	Days					0
BRUSH REMOVAL/TREE WORK	Days		4	2	2	8
Check Drains/Clean Debris	DAYS		3	2	2	7
LEAF PICK UP	Loads					0
Traffic Control for 3 Events						
2 Blighted Property Clean-up						

**PUBLIC WORKS/MAINTENANCE  
PARKS & RECREATION  
MONTHLY REPORT  
SEPTEMBER 2018**

- Constitution Park and Area Parklets
  - Cleaned up garbage 3 times a week
  - Cut Constitution Park 2 times complete
  - Cut a total of 18 parklets 21 times
  
- Ball Fields
  - Lined 8 fields for a total of 26 times
  - Drug 2 fields for a total of 2 times
  - Cut 9 fields for a total of 27 times
  
- Miscellaneous Work
  - Prepared pavilions for rentals
  - Worked concerts and events
  - Closed pools for the season

# Parks & Recs Field Work

## September 2018

	Line	Drag	Spike
<b>Flynn</b>			
<b>Nonneman</b>			
<b>Northcraft</b>			
<b>Bowers FB</b>	3		
<b>Galaxy SF</b>	4		
<b>United</b>			
<b>Nonneman SF</b>	4		
<b>Long</b>	3	1	
<b>Cavanaugh</b>	2		
<b>JC</b>			
<b>Abrams</b>	3	1	
<b>Nonneman Jr</b>	4		
<b>Northcraft SF</b>	3		
<b>Bower SF</b>			
<b>TOTAL</b>	26	2	

# Parks and Rec Mowing Areas

## September 2018

Location	Times cut
Abrams Field	2
JC Field	
Valley St Parklet	1
Fairmont	
Ridgedale	
Springdale	2
Smith Park	1
Vets Park	2
Washington Headquarters	1
Sun Dial	1
Pine Ave	
Lucy's Park	1
Old HRDC	1
Mullen	1
14 Somerville (rear)	1
Evitts Creek	
Boat Ramp	
Rolling Mills Parklet	1
224-226 Cecelia St	1
404-406-414 Park St	1
513-529 Maryland Ave	1
Emily St dead end	1
Louisiana Ave (Hartley's)	1
Pear St	1
Centre St Playground	2
Municipal Center	1
Mason's Sports Complex	4
Pistol Range	4
Cavanaugh Field	2
Long Field	3
Constitution Park	2

**Fleet Maintenance  
September 2018**

<b>Total Fleet Maintenance Projects</b>	<b>45</b>
Central Services	0
Code Enforcement	1
DDC	0
Engineering	2
Fire	4
Flood	1
Municipal Parking	0
P & R Maintenance	4
Police	11
Public Works	0
Sewer	0
Snow Removal	0
Street Maintenance	12
Vehicle Maintenance	0
Water Distribution	3
Water Filtration	0
WWTP	0
Scheduled Preventive Maintenance	4
Field Service Calls	3
<b>Total Work Orders Submitted</b>	<b>28</b>
<b>Risk Management Claims</b>	<b>0</b>
<b>Fork Lift Inspections</b>	<b>0</b>



Regular Council Agenda  
October 16, 2018

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**Description**

Maintenance Division monthly report for September, 2018

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

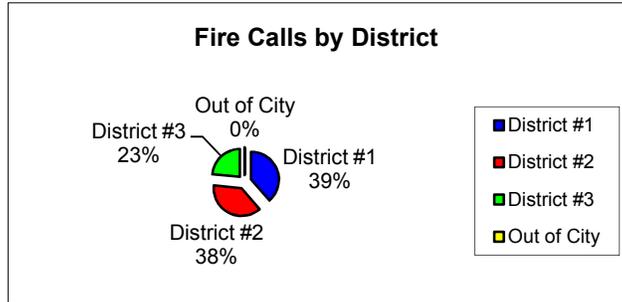
**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**REPORT OF THE FIRE CHIEF FOR THE MONTH OF SEPTEMBER, 2018**  
**Prepared for the Honorable Mayor and City Council and City Administrator**

**Cumberland Fire Department Responded to 132 Fire Alarms:**

Responses by District:	
District #1	51
District #2	50
District #3	31
Out of City	0
	<hr/> 132



Number of Alarms:	
First Alarms Answered	131
Working Alarms Answered	1
	<hr/> 132

Calls Listed Below:	
Property Use:	
Public Assembly	5
Educational	4
Institutional	4
Residential	80
Stores and Offices	2
Basic Industry, Utility	1
Special Properties	33
Undetermined	3
	<hr/> 132

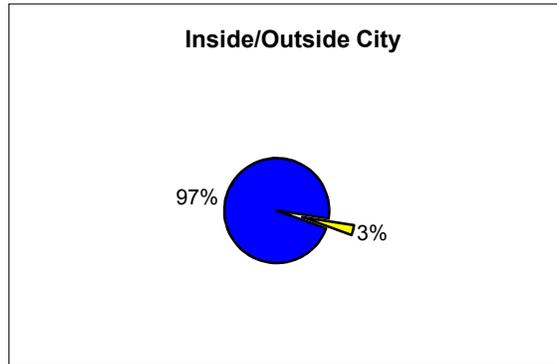
Type of Situation:	
Fire or Explosion	9
Overpressure, Rupture	2
Rescue Calls	60
Hazardous Conditions	10
Service Calls	16
Good Intent Calls	9
Severe Weather	4
False Calls	22
	<hr/> 132

Total Fire Service Fees for Fire Calls Billed by Medical Claim-Aid in September:	\$1,210.00
Total Fire Service Fees for Fire Calls Billed by Medical Claim-Aid Fiscal Year to Date:	\$4,460.00
Total Fire Service Fees for Fire Calls Paid in September:	\$700.00
FY2019 Fire Service Fees Paid in FY2019:	\$550.00
Total Fire Service Fees Paid in FY2019:	\$2,420.00

Total Service Fees for Inspections and Permits Billed in September:	\$350.00
Total Service Fees for Inspections and Permits Paid in September:	\$150.00
Total Fire Service Fees for Inspections and Permits Paid Fiscal Year to Date:	\$250.00

**Cumberland Fire Department Responded to 420 Emergency Medical Calls:**

In City Calls	407
Out of City Calls	<u>13</u>
Total	420



Total Ambulance Fees Billed by Medical Claim-Aid for September, 2018:	\$126,127.73
Ambulance Fees Billed Fiscal Year to Date:	\$294,650.00

Ambulance Fees Paid:	
Revenue Received in September:	\$61,210.86
FY2019 Fees Paid in FY2019:	\$106,046.82
Total Fees Paid in FY2019:	\$250,124.29

(Includes all ambulance fees, previous and current years, paid in FY2019.)

Cumberland Fire Department provided 4 Paramedic Assist Calls:

1 Paramedic Assist Calls within Allegany County	
3 Paramedic Assist Calls outside of Allegany County	
	<u>4</u>

Bowman's Addition VFD	1
Fort Ashby, WV VFD	<u>3</u>
	4

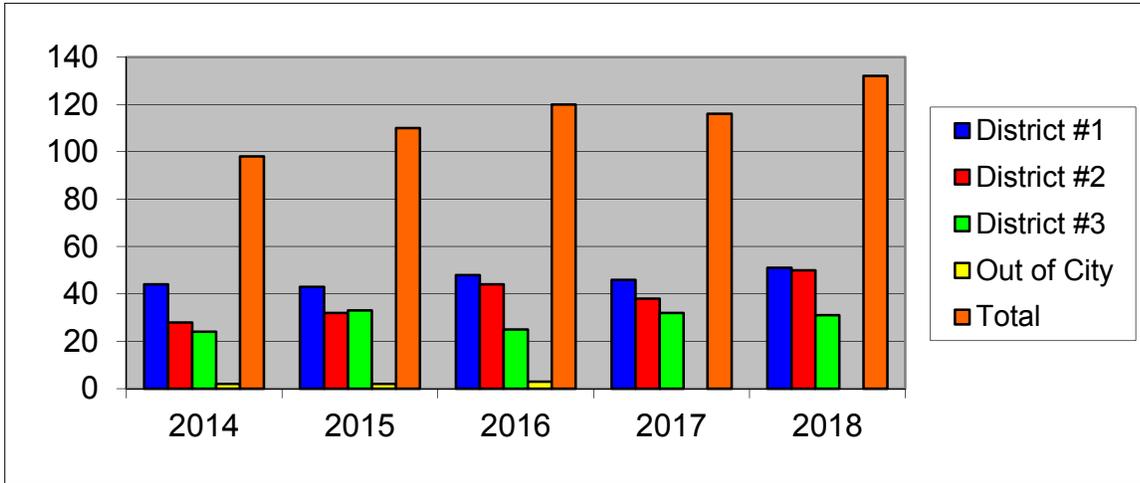
Cumberland Fire Department provided 9 Mutual Aid Calls:

8 Mutual Aid Calls within Allegany County	
1 Mutual Aid Calls outside of Allegany County	
	<u>9</u>

Bowman's Addition VFD	4
Cresaptown VFD	2
Flintstone VFD	<u>2</u>
	8
Ridgeley, WV VFD	<u>1</u>
	9

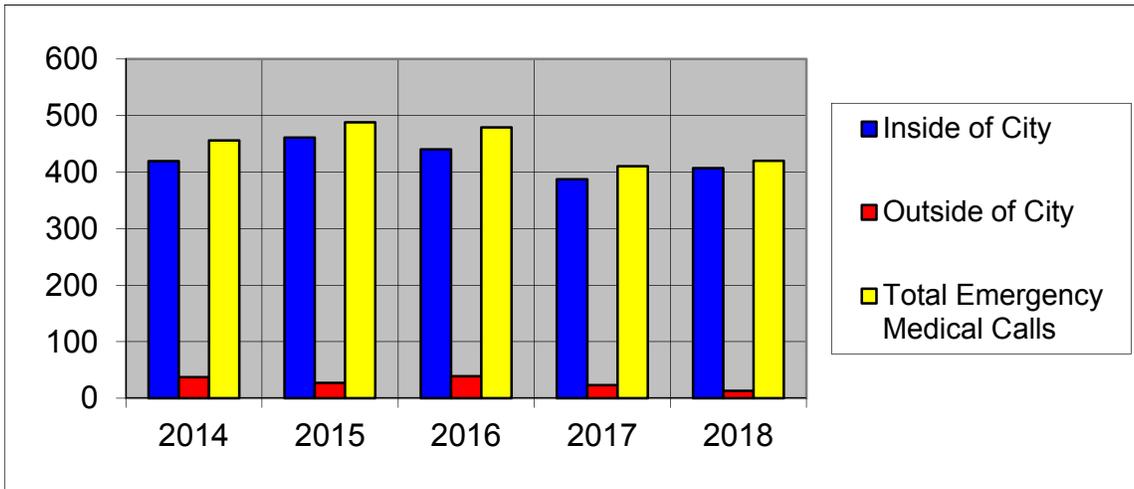
**Fire Calls in the Month of September for a Five-Year Period**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
District #1	44	43	48	46	51
District #2	28	32	44	38	50
District #3	24	33	25	32	31
Out of City	<u>2</u>	<u>2</u>	<u>3</u>	<u>0</u>	<u>0</u>
Total	98	110	120	116	132



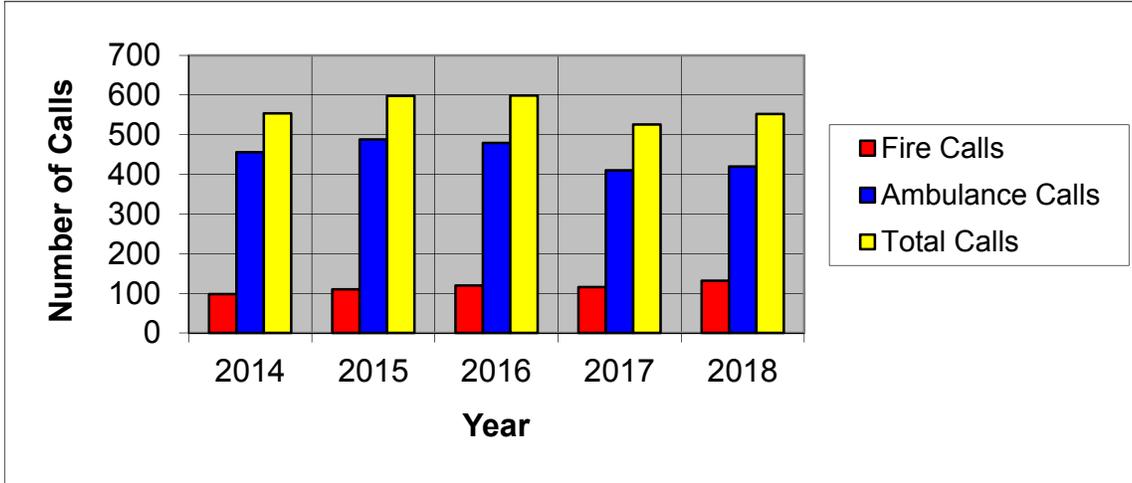
**Ambulance Calls in the Month of September for a Five-Year Period**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Inside of City	419	461	440	387	407
Outside of City	<u>37</u>	<u>27</u>	<u>39</u>	<u>23</u>	<u>13</u>
Total Emergency Medical Calls	456	488	479	410	420



**Fire and Ambulance Calls in the Month of September for a Five-Year Period**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Fire Calls	98	110	120	116	132
Ambulance Calls	456	488	479	410	420
Total Calls	554	598	599	526	552



**Training**

Training Man Hours:	152.50
Safety	11.00
Risk Management	1.50
Apparatus Check Procedures	42.00
Firefighter I Course	55.00
Hose Lines	10.00
Physical Fitness	11.00
Water Rescue	22.00
	<hr/>
	152.50

**Fire Prevention Bureau**

Complaints Received	2
Conferences Held	50
Correspondence	3
Inspections Performed	9
Investigations Conducted	11
Plan Reviews	3

**Personnel**

Captain Barry D. Winters retired on September 30, 2018 with 24 years of service.



Regular Council Agenda  
October 16, 2018

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**Description**

Fire Department monthly report for September, 2018

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



# **City of Cumberland Department of Police**

**Monthly Report**

**September 2018**



# City of Cumberland Department of Police

## Monthly Report

### September 2018

#### Part 1 Crimes for the Month

	2017		2018			2017		2018			2017		2018	
Aggravated Assaults	2	7	B & E (All)	12	24	Murder	0	0	Rape	0	1			
Robbery	1	2	Theft - Felony	3	1	Theft - Vehicle	1	0						

#### Selected Criminal Complaints for the Month

	2017		2018			2017		2018			2017		2018	
Theft - Misdemeanor	33	17	Theft - Petty	67	26	Domestic Assaults	32	29	CDS	69	52			
Disturbances	186	176	DOP/Vandalism	27	24	Indecent Exposure	2	2	Sex Off - Other	1	6			
Suicide	0	0	Suicide - Atmpt.	3	1	Tampering M/V	0	0	Abuse - Child	2	1			
Trespassing	17	27	Assault on Police	5	3	Assault Other	35	48						

#### Selected Miscellaneous Incidents for the Month

	2017		2018			2017		2018			2017		2018	
Alcohol Volitions	4	3	Juvenile Compl.	28	12	Missing Persons	12	5	School Resource	93	96			
School Threat	1	2	Sex Off. Regist.	12	10	Truancy	10	18	Death Investigation	3	5			

#### Selected Traffic Incidents for the Month

	2017		2018			2017		2018			2017		2018	
DWI	12	13	Hit & Run	22	23	M/V Crash	80	82	Traffic Stop	401	432			

#### Selected Service Calls for the Month

	2017		2018			2017		2018			2017		2018	
Alarms	54	43	Assist Motorist	32	29	Check Well-Being	112	105	Foot Patrol	37	40			
Assist Other Agency	60	45	Bike Patrol	1	0	Special Events	17	15	Suspicious Activity	92	97			

#### Arrests Totals for the Month

	2017		2018			2017		2018			2017		2018	
M/V Citations	65	80	M/V Warnings	322	340	Adult arrests	183	181	Juvenile arrests	20	22			

**Total Incidents Reported :**                      **2017      2018**  
**2,381      2,360**

**Charles Hinnant - Chief of Police**

# CUMBERLAND POLICE DEPARTMENT

## MONTHLY REPORT

SEPTEMBER 2018

SWORN PERSONNEL: 45 SWORN OFFICERS

Administration	5 officers
Squad D1	9 officers
Squad N1	8 officers
Squad D2	8 officers
Squad N2	8 officers
C3I/C3IN	5 officers
School Resource	2 officers
Academy	0 officers

CIVILIAN EMPLOYEES: 7 full time, 11 part time

CPD Office Associate	1 full time
CPD Records Clerk	1 full time
Safe Streets Coordinator	1 full time*
CPD Crime Analyst	1 full time*
CPD Drug Coordinator	1 full time*
CPD Maintenance	1 part time
C3I Office Associate	1 full time
C3IN Office Associate	1 part time**
C3I Office Associate	1 part time **
MPA Supervisor	1 part time
Parking Meter Supervisor	1 full time
Parking Enforcement	2 part time
MPA Garage Attendants	2 part time
Code Enforcement	3 part time

\* = Grant funded

\*\* = Shared costs with other agencies

### LEAVE REPORT

VACATION TAKEN: 1132 HOURS  
COMP TIME USED: 80 HOURS  
SICK TIME USED: 10 HOURS

YEAR TO DATE (beginning 7/1/18): 1132 HOURS  
YEAR TO DATE (beginning 7/1/18): 408 HOURS  
YEAR TO DATE (beginning 7/1/18): 444 HOURS

### OVERTIME REPORT

OVERTIME WORKED: 256 HOURS  
HOSPITAL SECURITY: 168 HOURS  
COURT TIME WORKED: 201 HOURS

YEAR TO DATE (beginning 7/1/18): 1427 HOURS  
YEAR TO DATE (beginning 7/1/18): 679 HOURS  
YEAR TO DATE (beginning 7/1/18): 637 HOURS

### TRAINING REPORT

73 OFFICERS ATTENDED 18 TRAINING SESSIONS FOR A TOTAL OF 502 HOURS



Regular Council Agenda  
October 16, 2018

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**Description**

Police Department monthly report for September, 2018

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



**MAYOR**

Brian K. Grim

**CITY ADMINISTRATOR**

Jeff Rhodes

**CITY SOLICITOR**

Michael Scott Cohen

**COUNCIL**

Seth D. Bernard

David Caporale

Richard J. Rock" Cioni

Eugene T. Frazier

**CITY CLERK**

Marjorie A. Woodring

## MINUTES

DATE: July 17, 2018

**I. Pledge of Allegiance**

**II. Roll Call**

1. 6:15 p.m. - Meeting Called to Order

PRESENT: Brian K. Grim, President; Council Members David Caporale, Richard J. Cioni, Eugene Frazier

ABSENT: Councilman Seth Bernard

ALSO PRESENT: Jeffrey D. Rhodes, City Administrator; Michael S. Cohen, City Solicitor; Charles Hinnant, Chief of Police; Donald Dunn, Fire Chief; Marjorie Woodring, City Clerk

**III. Statement of Closed Meeting**

1. Summary Statement of Closed Meeting(s)

Mayor Grim announced that a Closed Session had been held on July 10, 2018 at 5:00 p.m. and read into the record a summary of that session, which is attached hereto and made a part of these minutes as required by Section 3-306(c)(2) of the General Provisions Article of the Annotated Code of Maryland.

**IV. Proclamations**

1. Proclaiming Tuesday, August 7, 2018 as National Night Out in Cumberland

Mayor Grim read the proclamation and presented it to Police Chief Charles Hinnant, Fire Chief Donald Dunn, David Goad, and Terri Hast, NAC coordinator.

**V. Certificates and Awards**

1. Presentation of the 2018 Sue Cerutti Historic Preservation Award to Footer Building Development

LLC for the rehabilitation of the Footer's Dye Works Building at 2 Howard Street

Kathy McKenney, Community Development Programs Manager, provided background on the purpose of the award and Dr. Henry Bullamore, Chair of the Historic Preservation Commission, provided a project overview, recognized the project for the quality of work performed, and thanked the development partners, Michael Joy, Bruce Firlie, and Erik Wishneft, for their contribution to the Historic District and to the City. Mr. Michael Joy accepted the Historic Preservation Award plaque from Mayor Grim.

2. Presentation of the Let's Beautify Cumberland! Committee's Blue Ribbon Awards and Good Neighbor Awards

Ed Mullaney and Ginny Decker, Co-Chairs of the Let's Beautify Cumberland! Committee, discussed the process by which award winners were selected and also discussed other projects that had been taken on throughout the year by the Committee. Awards were presented to Ellie's Deli, 2 Decatur Street; Scarpelli Funeral Home, 108 Virginia Avenue; Joe & Carol Cox, 513 Oldtown Road; James Cumiskey, 418 Magruder Street; Donald & Mary Martin, 219 Maple Street; Paul & Kay Morin, 1145 Frederick Street; and David & Dorothy Simpson, 611 Louisiana Avenue.

Good Neighbor Awards were presented to Mazie House, Regan Tilson, and Gabby Tilson in recognition of their efforts to beautify their own neighborhood.

## **VI. Presentations**

1. Presentation from Robert Smith, Senior Engineer, regarding the Traffic Study on the Seton Drive / Bishop Walsh Drive Intersection

Mr. Smith advised that with the pending opening of the new Allegany High School on Seton Drive, there was need to look at the traffic circulation in that area as well as the need for road improvements. He had therefore reached out to representatives at the State Highway Administration who had more expertise in traffic studies. In 2018 a traffic study had been performed by Whitney, Bailey, Cox & Magnini by way of a Maryland Department of Transportation SHA state contract. Mr. Smith discussed the study's findings, including the traffic study method, crash data, traffic counts, signal warrant analyses, traffic analyses, pedestrian access, and proposed improvements. Recommendation and conclusions were as follows: a traffic signal is not warranted; Sort-term implementation of Concept Plan Alternative No. 2 was recommended; re-stripe westbound Bishop Walsh Road to improve the sight line from southbound Seton Drive; Long-term implementation of Concept Plan Alternative No. 3 to reduce wait times; coordinate school dismissal times

Mayor Grim noted that he had received a recommendation from a citizen to install a mirror at the Braddock Road intersection.

Mr. Rhodes recommended that John DiFonzo, City Engineer, provide an update on the CSO project at the WWTP before he retires next month. He also recommended that Mr. Smith provide an update in the near future on the roadbotics program staff was evaluating.

## **VII. Director's Reports**

(A) **Public Works**

1. Maintenance Division monthly report for June, 2018

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

2. Engineering Division monthly report for June, 2018

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

3. Utilities Division monthly report for June, 2018

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

**(B) Administrative Services**

1. Administrative Services monthly report for May, 2018

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

**(C) Fire**

1. Fire Department monthly report for June, 2018

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

**(D) Police**

1. Police Department monthly report for June, 2018

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

**VIII. Approval of Minutes**

1. Approval of the Regular Session Minutes of May 1 and May 15, 2018

Motion to approve the minutes was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

**IX. New Business**

**(A) Orders (Consent Agenda)**

Mr. Rhodes reviewed each item on the Consent Agenda and Mayor Grim called for questions or comments.

Motion to withhold Item No. 6 to be voted on separately was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

Motion to approved Consent Agenda Items 1-5 and 7-10 was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

Motion to approve Consent Agenda Item No. 6 was made by Caporale, seconded by Frazier, and was passed on a vote of 4-0. Mayor Grim recognized Mr. DiFonzo for his 48 years of service to the City and the citizens of Cumberland. He stated that he well deserved the honor of the Water Reclamation Facility being named in recognition of his contributions to the City.

1. Order authorizing the execution of Change Order No. 3 with Leonard S. Fiore, Inc. in the decreased amount of \$92,409.94, to the current contract for City Project "CSO Storage Facility-Phase I" (01-10-WWTP)  
ORDER NO. 26,313
2. Order authorizing the execution of a Memorandum of Understanding with MD State Highway Administration for the City's waterline replacement under the bridge on Route 51 to be included in SHA's current bridge improvements project; estimated fees to be paid by the City for replacement costs is \$475,000  
ORDER NO. 26,314
3. Order allowing for Special Taxing District tax exemptions for the 2018/2019 tax year for 50 & 52 N. Centre St. in the amount of \$299.97; 43 & 45 N. Liberty St. in the amount of \$199.27; and 45 N. Centre St. in the amount of \$537.32  
ORDER NO. 26,315
4. Order approving a Lease Agreement with The Manhattan Social to allow for outdoor dining in certain areas of the public right of way adjacent to 65-69 Baltimore Street for a one-year period beginning July 17, 2018, with the condition that the use of Area A is contingent upon final approval by the Fire Marshall  
ORDER NO. 26,316
5. Order authorizing execution of a Lease Agreement with the Corner Tavern and Cafe LLC to allow for the use of the public right of way for outdoor dining in areas adjacent to 171 N. Centre Street for the period of one year beginning July 17, 2018  
ORDER NO. 26,317
6. Order authorizing that the name of the Waste Water Treatment Plant be changed to the John J. DiFonzo Water Reclamation Facility effective this date  
ORDER NO. 26,318
7. Order accepting the sole source proposal from Gwin, Dobson & Foreman to provide engineering services for the Optimization of the Cumberland WWTP Aeration System Project (23-18-WWTP) for a lump sum fee not to exceed \$88,000, with funding to be

provided through a grant from MD Department of the Environment

ORDER NO. 26,319

8. Order adopting a revised "Rules and Regulations for the Government of the Mayor and City Council of Cumberland" to amend Rule No. 22 pertaining to the use of Robert's Rules of Order

ORDER NO. 26,320

9. Order accepting the proposal of Michael's Janitorial to provide custodial services for the yearly amount of \$94,166.40 and additional emergency services costs, for a two (2) year period with the option to renew for one (1) year

ORDER NO. 26,321

10. Order accepting the sole source proposal from Cochran Studios, Inc. to provide professional consulting services for the formulation of a streetscape design plan for the area of the Baltimore Street pedestrian mall for the price of \$47,500 and authorizing the Mayor to execute a Firm Fixed Price Contract between Cochran, the DDC and the CEDC regarding this work, contingent upon there being no substantive changes to the contract

ORDER NO. 26,322

**(B) Letters, Petitions**

1. Letter from The Queen City Striders requesting approval of a Special Events Permit to hold portions of the 2018 Great Allegany Run on Saturday, October 6, 2016 in Cumberland. The Police, Fire, and Public Works Departments have expressed no concerns regarding approval of the event other than Police Department overtime.

Mayor Grim entered the letter into the public record and Council provided a consensus to approve the event.

**X. Public Comments**

Kenneth Wilmot, 513 Fort Avenue, stated he had read an article stating that the City wanted to make improvements to the Constitution Park by creating a sound garden and a dog park. He stated there was already a dog park there and a sound garden was not needed. He also stated that the picnic tables were in bad shape and needed to be moved out from under the big oak tree as it was bad for the tree.

All public comments are limited to 5 minutes per person

**XI. Adjournment**

With no further business at hand, the meeting adjourned at 7:13 p.m.

Minutes approved on \_\_\_\_\_

Brian K. Grim, Mayor \_\_\_\_\_

ATTEST: Marjorie A. Woodring, City Clerk \_\_\_\_\_

**Mayor and City Council of Cumberland**

**Closed Session Summary**

July 10, 2018 at 5:00 p.m.

Second Floor Conference Room, City Hall

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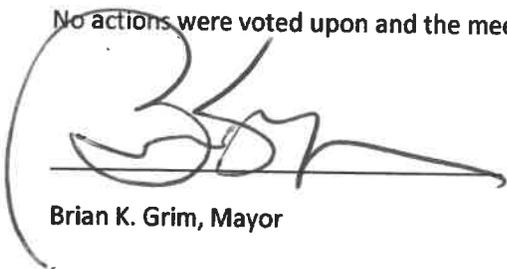
On Tuesday, July 10, 2018, the Mayor and City Council met in closed session at 4:30 p.m. in the second floor conference room of City Hall to consult with legal counsel regarding matters related to the CSX bridges. Authority to close the session was provided by the General Provisions Article of the Annotated Code of Maryland, Section 3-305 (b) (7).

Persons in attendance included Mayor Brian Grim;

Council Members Seth Bernard, Richard Cioni, and Eugene Frazier; City Administrator Jeff Rhodes, City Solicitor Mike Cohen, City Clerk Marjorie Woodring.

On a motion made by Councilman Frazier and seconded by Councilman Cioni, Council voted 4-0 to close the session.

No actions were voted upon and the meeting was adjourned at 5:30 p.m.

A handwritten signature in black ink, appearing to read 'B. Grim', is written over a horizontal line. The signature is stylized and somewhat cursive.

Brian K. Grim, Mayor

**JUL 17 2018**

Entered into the public record on \_\_\_\_\_



Regular Council Agenda  
October 16, 2018

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**Description**

Approval of the Regular Session Minutes of July 17, 2018

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
October 16, 2018

---

**Description**

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED "AN ORDINANCE TO REPEAL AND RE-ENACT WITH AMENDMENTS CHAPTER 19 OF THE CODE OF THE CITY OF CUMBERLAND ENTITLED 'PUBLIC ETHICS' FOR THE PURPOSE OF COMPLYING WITH STATE LEGISLATION EFFECTIVE OCTOBER 1, 2017, REQUIRING THAT LOCAL ETHICS LAWS PERTAINING TO ELECTED LOCAL OFFICIALS, CONFLICTS OF INTEREST AND FINANCIAL DISCLOSURE BE EQUIVALENT TO OR EXCEED THE REQUIREMENTS OF APPLICABLE STATE LAW."

WHEREAS, The City of Cumberland Public Ethics Code, Chapter 19 of the Code of the City of Cumberland, sets forth the City of Cumberland's rules and regulations relative to public ethics;

WHEREAS, the Maryland General Assembly passed legislation effective October 1, 2011 (Md. State Govt. Code Ann. §§ 15-804(b) & 15-805(b)(2) requiring that local governments enact public ethics regulations for elected local officials relative to conflicts of interest and financial disclosure that are equivalent to or exceed State law standards;

WHEREAS, the Maryland General Assembly passed legislation amending those provisions effective October 1, 2017;

WHEREAS, in accordance with the regulations promulgated pursuant to the State law enactments, the City provided the State Ethics Commission with a draft of the revisions to the City of Cumberland Public Ethics Code for its review and approval; and

WHEREAS, by correspondence dated September 21, 2018, the State Ethics Commission notified the City Solicitor

that it reviewed the aforesaid revisions to the City of Cumberland Public Ethics Code and determined that they comply with applicable State law provisions.

NOW, THEREFORE:

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, that Chapter 19 of the Code of the City of Cumberland (1991 Edition), Sections 19-1 to 19-8, inclusive, the City of Cumberland Public Ethics Code, be and is hereby repealed and reenacted, the said reenacted provisions being set forth in the Exhibit A attached hereto and a text-edited version showing the changes made to existing law upon the passage of this Ordinance is attached hereto and incorporated by reference herein as Exhibit B:

SECTION 2: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this 16th day of October, 2018.

\_\_\_\_\_  
Brian K. Grim, Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring, City Clerk

## **EXHIBIT A**

### **Sec. 19-1. - Short title/applicability.**

- (a) This chapter may be cited as the City of Cumberland Public Ethics Law.
- (b) The provisions of this chapter shall apply to all city elected officials, employees, and appointees to boards and commissions of the city.

### **Sec. 19-2 – Definitions.**

- (a) "Designated second home" means:

- (1) If an individual owns one second home, the individual's second home; or
- (2) If an individual owns more than one second home, any one second home the individual identifies to the board as the individual's designated second home.

- (b) "Home address" means the address of an individual's:

- (1) Principal home; and
- (2) Designated second home, if any.

- (c) (1) "Interest" means a legal or equitable economic interest, whether or not subject to an encumbrance or a condition, that is owned or held, in whole or in part, jointly or severally, directly or indirectly.

- (2) For purposes of this chapter, interest includes any interest held at any time during the reporting period.

- (3) Interest does not include:

- a. An interest held in the capacity of a personal agent, custodian, fiduciary, personal representative, or trustee, unless the holder has an equitable interest in the subject matter;
- b. An interest in a time or demand deposit in a financial institution;
- c. An interest in an insurance policy, endowment policy, or annuity contract under which an insurer promises to pay a fixed amount of money either in a lump sum or periodically for life or a specified period;
- d. A common trust fund or a trust which forms part of a pension or profit sharing plan which has more than 25 participants and which has been determined by the Internal Revenue Service to be a qualified trust under the Internal Revenue Code;
- e. A college savings plan under the Internal Revenue Code; or

- f. A mutual fund or exchange-traded fund that is publicly traded on a national scale unless the mutual fund or exchange-traded fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the individual's governmental unit.

(d) "Principal home" means the sole residential property that an individual occupies as the individual's primary residence, whether owned or rented by the individual.

(e) "Qualified relative" means a spouse, parent, child, brother, or sister.

(f) "Second home" means a residential property that:

- (1) An individual occupies for some portion of the filing year; and
- (2) Is not a rental property or a time share.

**Sec. 19-3. - Administrative appeals board.**

- (a) There is an administrative appeals board (the "board") created under Section 238 of the Charter that consists of five (5) members appointed by the mayor and city council. The board shall be the advisory body responsible for interpreting this chapter and advising persons subject to it as to its application.
- (b) The board shall:
  - (1) Devise, receive, and maintain all forms required by this chapter;
  - (2) Develop procedures and policies for advisory opinion requests and provide published advisory opinions to persons subject to this chapter regarding the applicability of the provisions of this chapter to them;
  - (3) Develop procedures and policies for the processing of complaints to make appropriate determinations regarding complaints filed by any person alleging violations of this chapter; and
  - (4) Conduct a public information program regarding the purposes and application of this chapter.
- (c) The city solicitor shall advise the board.
- (d) The board shall certify to the state ethics commission on or before October 1 of each year that the city is in compliance with the requirements of General Provisions Article, Ann. Code of Md. tit. 5 subtit. 8, for elected local officials.
- (e) The board shall determine if changes to this chapter are required to be in compliance with the requirements of General Provisions Article, Ann. Code of Md. tit. 5 subtit. 8, and shall forward any recommended changes and amendments to the mayor and city council for enactment.
- (f) Any official or other person subject to the provisions of this chapter may request the board for an advisory opinion concerning the application of this chapter. The board shall respond promptly to these requests, providing interpretations of this chapter based on the facts provided or reasonably available to it. Copies of these interpretations shall be made available to the public upon request.
- (g) Any person may file with the board a complaint alleging a violation of any of the provisions of this chapter. These complaints shall be written and under oath, and may be referred to the city solicitor, or other legal counsel if appropriate, for investigation and review. If, after

receiving an investigative report, the board determines that there are insufficient facts upon which to base a determination of a violation, it may dismiss the complaint. If there is a reasonable basis for believing a violation has occurred, then the subject of the complaint shall be afforded an opportunity for a hearing conducted in accordance with the board's applicable rules of procedure for actions taken on the record. Any final determination resulting from the hearing shall include findings of fact and conclusions of law. Upon a finding of a violation, the board may take any enforcement action provided for in accordance with section 19-9.

- (h) The board may adopt other policies and procedures to assist in the implementation of the board's programs established in this chapter.

**Sec. 19-4. - Conflicts of interest.**

- (a) *Applicability.* All city elected officials, officials appointed to city boards and commissions subject to this chapter, and employees are subject to this section.
- (b) *Participation prohibitions.* Except as permitted by board regulation or opinion, an official or employee may not participate in:
  - (1) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision of the matter, any matter in which, to the knowledge of the official or employee, the official or employee, or a qualified relative of the official or employee has an interest.
  - (2) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision with respect to the matter, any matter in which any of the following is a party:
    - a. A business entity in which the official or employee has a direct financial interest of which the official or employee may reasonably be expected to know;
    - b. A business entity for which the official, employee, or a qualified relative of the official or employee is an officer, director, trustee, partner, or employee;
    - c. A business entity with which the official or employee or, to the knowledge of the official or employee, a qualified relative is negotiating employment or has any arrangement concerning prospective employment;
    - d. If the contract reasonably could be expected to result in a conflict between the private interests of the official or employee and the official duties of the official or employee, a business entity that is a party to an existing contract with the official or employee, or which, to the knowledge of the official or employee, is a party to a contract with a qualified relative;
    - e. An entity, doing business with the city, in which a direct financial interest is owned by another entity in which the official or employee has a direct financial interest, if the official or employee may be reasonably expected to know of both direct financial interests; or
    - f. A business entity that:
      - 1. The official or employee knows is a creditor or obligee of the official or employee or a qualified relative of the official or employee with respect to a thing of economic value; and
      - 2. As a creditor or obligee, is in a position to directly and substantially affect the interest of the official or employee or a qualified relative of the official or employee.

- (3) A person who is disqualified from participating under paragraphs (1) or (2) of this subsection shall disclose the nature and circumstances of the conflict and may participate or act if:
  - a. The disqualification leaves a body with less than a quorum capable of acting;
  - b. The disqualified official or employee is required by law to act; or
  - c. The disqualified official or employee is the only person authorized to act.
- (4) The prohibitions of paragraph (1) and (2) of this subsection do not apply if participation is allowed by regulation or opinion of the board.
- (5) A former regulated lobbyist who is or becomes subject to this chapter as an employee or official, other than an elected official or an appointed official, may not participate in a case, contract, or other specific matter as an employee or official, other than an elected official or appointed official, for one calendar year after the termination of the registration of the former regulated lobbyist if the former regulated lobbyist previously assisted or represented another party for compensation in the matter.

(c) *Employment and financial interest restrictions.*

- (1) Except as permitted by regulation of the board when the interest is disclosed or when the employment does not create a conflict of interest or appearance of conflict, an official or employee may not:
  - a. Be employed by or have a financial interest in any entity:
    1. Subject to the authority of the official or employee or the city agency, board, commission with which the official or employee is affiliated; or
    2. That is negotiating or has entered a contract with the agency, board, or commission with which the official or employee is affiliated; or
  - b. Hold any other employment relationship that would impair the impartiality or independence of judgment of the official or employee.
- (2) This prohibition does not apply to:
  - a. An official or employee who is appointed to a regulatory or licensing authority pursuant to a statutory requirement that persons subject to the jurisdiction of the authority be represented in appointments to the authority;
  - b. Subject to other provisions of law, a member of a board or commission in regard to a financial interest or employment held at the time of appointment, provided the financial interest or employment is publicly disclosed to the appointing authority and the board;
  - c. An official or employee whose duties are ministerial, if the private employment or financial interest does not create a conflict of interest or the appearance of a conflict of interest, as permitted by and in accordance with regulations adopted by the board; or
  - d. Employment or financial interests allowed by regulation of the board if the employment does not create a conflict of interest or the appearance of a conflict of interest or the financial interest is disclosed.

(d) *Post-employment limitations and restrictions.*

- (1) A former official or employee may not assist or represent any party other than the city for compensation in a case, contract, or other specific matter involving the city if that

matter is one in which the former official or employee significantly participated as an official or employee.

- (2) , A former elected official may not assist or represent another party for compensation in a matter that is the subject of legislative action for one calendar year after the elected official leaves office.
- (e) *Contingent compensation.* Except in a judicial or quasi-judicial proceeding, an official or employee may not assist or represent a party for contingent compensation in any matter before or involving the city.
- (f) *Use of prestige of office.*
- (1) An official or employee may not intentionally use the prestige of office or public position for the private gain of that official or employee or the private gain of another, or to influence, except as part of the official duties of the official or employee or as a usual and customary constituent service without additional compensation, the award of a state or local contract to a specific person.
  - (2) An official may not directly or indirectly initiate a solicitation for a person to retain the compensated services of a particular regulated lobbyist or lobbying firm.
  - (3) This subsection does not prohibit the performance of usual and customary constituent services by an elected local official without additional compensation.
  - (4) An official, other than an elected official, or employee may not use public resources or the title of the official or employee to solicit a contribution as that term is defined in the Election Law Article.
  - (5) An elected official may not use public resources to solicit a contribution as that term is defined in the Election Law Article.
- (g) *Solicitation and acceptance of gifts.*
- (1) An official or employee may not solicit any gift.
  - (2) An official or employee may not directly solicit or facilitate the solicitation of a gift, on behalf of another person, from an individual regulated lobbyist.
  - (3) An official or employee may not knowingly accept a gift, directly or indirectly, from a person that the official or employee knows or has the reason to know:
    - a. Is doing business with or seeking to do business with the city office, agency, board, or commission with which the official or employee is affiliated;
    - b. Has financial interests that may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the official duties of the official or employee;
    - c. Is engaged in an activity regulated or controlled by the official's or employee's governmental unit; or
    - d. Is a lobbyist with respect to matters within the jurisdiction of the official or employee.
  - (4) Paragraph (5) of this subsection does not apply to a gift:
    - a. That would tend to impair the impartiality and the independence of judgment of the official or employee receiving the gift;
    - b. Of significant value that would give the appearance of impairing the impartiality and independence of judgment of the official or employee; or

- c. Of significant value that the recipient official or employee believes or has reason to believe is designed to impair the impartiality and independence of judgment of the official or employee.
- (5) Notwithstanding paragraph (3) of this subsection, an official or employee may accept the following:
- a. Meals and beverages consumed in the presence of the donor or sponsoring entity;
  - b. Ceremonial gifts or awards that have insignificant monetary value;
  - c. Unsolicited gifts of nominal value that do not exceed twenty dollars (\$20.00) in cost or trivial items of informational value;
  - d. Reasonable expenses for food, travel, lodging, and scheduled entertainment of the official or the employee at a meeting which is given in return for the participation of the official or employee in a panel or speaking engagement at the meeting;
  - e. Gifts of tickets or free admission extended to an elected local official to attend a charitable, cultural, or political event, if the purpose of this gift or admission is a courtesy or ceremony extended to the elected official's office;
  - f. A specific gift or class of gifts that the board exempts from the operation of this subsection upon a finding, in writing, that acceptance of the gift or class of gifts would not be detrimental to the impartial conduct of the business of the city and that the gift is purely personal and private in nature;
  - g. Gifts from a person related to the official or employee by blood or marriage, or any other individual who is a member of the household of the official or employee; or
  - h. Honoraria for speaking to or participating in a meeting, provided that the offering of the honorarium is in not related in any way to the official's or employee's official position.
- (h) *Disclosure of confidential information.* Other than in the discharge of official duties, an official or employee may not disclose or use confidential information, that the official or employee acquired by reason of the official's or employee's public position and that is not available to the public, for the economic benefit of the official or employee or that of another person. (i) *Participation in procurement.*
- (1) An individual or a person that employs an individual who assists a city agency in the drafting of specifications, an invitation for bids, or a request for proposals for a procurement may not submit a bid or proposal for that procurement or assist or represent another person, directly or indirectly, who is submitting a bid or proposal for the procurement.
  - (2) The board may establish exemptions from the requirements of this section for providing descriptive literature, sole source procurements, and written comments solicited by the procuring agency.

**Sec. 19-5. - Financial disclosure—Local elected officials and candidates to be local elected officials.**

- (a) *Applicability/financial disclosure statements.*
  - (1) This section applies to all local elected officials and candidates to be local elected officials.

- (2) Except as provided in subsection (b) of this section, a local elected official or a candidate to be a local elected official shall file the financial disclosure statement required under this section:
    - a. On a form provided by the board;
    - b. Under oath or affirmation; and
    - c. With the board.
  - (3) Deadlines for filing statements.
    - a. An incumbent local elected official shall file a financial disclosure statement annually no later than April 30 of each year for the preceding calendar year.
    - b. An individual who is appointed to fill a vacancy in an office for which a financial disclosure statement is required and who has not already filed a financial disclosure statement shall file a statement for the preceding calendar year within thirty (30) days after appointment.
    - c.
      1. An individual who, other than by reason of death, leaves an office for which a statement is required shall file a statement within sixty (60) days after leaving the office.
      2. The statement shall cover:
        - i. The calendar year immediately preceding the year in which the individual left office, unless a statement covering that year has already been filed by the individual; and
        - ii. The portion of the current calendar year during which the individual held the office.
- (b) *Candidates to be local elected officials.*
- (1) Except for an official who has filed a financial disclosure statement under another provision of this section for the reporting period, a candidate to be an elected local official shall file under a financial disclosure statement each year beginning with the year in which the certificate of candidacy is filed through the year of the election.
  - (2) A candidate to be an elected local official shall file a statement required under this section:
    - a. In the year the certificate of candidacy is filed, no later than the filing of the certificate of candidacy;
    - b. In the year of the election, on or before the earlier of April 30 or the last day for the withdrawal of candidacy; and
    - c. In all other years for which a statement is required, on or before April 30.
  - (3) A candidate to be an elected official shall file the statements required under subsection (b) with the city clerk.
  - (4) If a candidate fails to file a statement required by this section after written notice is provided by the city clerk at least twenty (20) days before the last day for the withdrawal of candidacy, the candidate is deemed to have withdrawn the candidacy.
  - (5) The city clerk may not accept any certificate of candidacy unless a statement has been filed in proper form.
  - (6) Within thirty (30) days of the receipt of a statement required under this section, the city clerk shall forward the statement to the board or the office designated by the board.
- (c) *Public record.*

- (1) The city clerk shall maintain all financial disclosure statements filed under this section.
  - (2) Financial disclosure statements shall be made available during normal office hours for examination and copying by the public subject to reasonable fees and administrative procedures established by the board or the city.
  - (3) If an individual examines or copies a financial disclosure statement, the city clerk shall record:
    - a. The name and home address of the individual reviewing or copying the statement; and
    - b. The name of the person whose financial disclosure statement was examined or copied.
  - (4) Upon request by the official or employee whose financial disclosure statement was examined or copied, the city clerk shall provide the official with a copy of the name and home address of the person who reviewed the official's financial disclosure statement.
  - (5) For statements filed after January 1, 2019, the city clerk may not provide public access to an individual's home address that the individual has designated as the individual's home address.
- (d) *Retention requirements.* The city clerk shall retain financial disclosure statements for four (4) years from the date of receipt.
- (e) *Contents of statement.*
- (1) *Interests in real property.*
    - a. A statement filed under this section shall include a schedule of all interests in real property wherever located.
    - b. For each interest in real property, the schedule shall include:
      1. The nature of the property and the location by street address, mailing address, or legal description of the property;
      2. The nature and extent of the interest held, including any conditions and encumbrances on the interest;
      3. The date when, the manner in which, and the identity of the person from whom the interest was acquired;
      4. The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired;
      5. If any interest was transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and the identity of the person to whom the interest was transferred; and
      6. The identity of any other person with an interest in the property.
  - (2) *Interests in corporations and partnerships.*
    - a. A statement filed under this section shall include a schedule of all interests in any corporation, partnership, limited liability partnership, or limited liability corporation, regardless of whether the corporation or partnership does business with the city.
    - b. For each interest reported under this paragraph, the schedule shall include:
      1. The name and address of the principal office of the corporation, partnership, limited liability partnership, or limited liability corporation;

2. The nature and amount of the interest held, including any conditions and encumbrances on the interest;
  3. With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and, if known, the identity of the person to whom the interest was transferred; and
  4. With respect to any interest acquired during the reporting period:
    - i. The date when, the manner in which, and the identity of the person from whom the interest was acquired; and
    - ii. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
- c. An individual may satisfy the requirement to report the amount of the interest held under item b.2. of this paragraph by reporting, instead of a dollar amount:
1. For an equity interest in a corporation, the number of shares held and, unless the corporation's stock is publicly traded, the percentage of equity interest held; or
  2. For an equity interest in a partnership, the percentage of equity interest held.

(3) *Interests in business entities doing business with the city.*

- a. A statement filed under this section shall include a schedule of all interests in any business entity that does business with the city, other than interests reported under paragraph (2) of this subsection.
- b. For each interest reported under this paragraph, the schedule shall include:
  1. The name and address of the principal office of the business entity;
  2. The nature and amount of the interest held, including any conditions to and encumbrances in the interest;
  3. With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received in exchange for the interest, and, if known, the identity of the person to whom the interest was transferred; and
  4. With respect to any interest acquired during the reporting period:
    - i. The date when, the manner in which, and the identity of the person from whom the interest was acquired; and
    - ii. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.

(4) *Gifts.*

- a. A statement filed under this section shall include a schedule of each gift in excess of twenty dollars (\$20.00) in value or a series of gifts totaling one hundred dollars (\$100.00) or more received during the reporting period from or on behalf of, directly or indirectly, any one (1) person who does business with or is regulated by the city.
- b. For each gift reported, the schedule shall include:
  1. A description of the nature and value of the gift; and
  2. The identity of the person from whom, or on behalf of whom, directly or indirectly, the gift was received.

- (5) *Employment with or interests in entities doing business with the city.*
- a. A statement filed under this section shall include a schedule of all offices, directorships, and salaried employment by the individual or member of the immediate family of the individual held at any time during the reporting period with entities doing business with the city.
  - b. For each position reported under this paragraph, the schedule shall include:
    1. The name and address of the principal office of the business entity;
    2. The title and nature of the office, directorship, or salaried employment held and the date it commenced; and
    3. The name of each city agency with which the entity is involved.
- (6) *Indebtedness to entities doing business with city.*
- a. A statement filed under this section shall include a schedule of all liabilities, excluding retail credit accounts, to persons doing business with the city or regulated by the individual's city unit or department owed at any time during the reporting period:
    1. By the individual; or
    2. By a member of the immediate family of the individual if the individual was involved in the transaction giving rise to the liability.
  - b. For each liability reported under this paragraph, the schedule shall include:
    1. The identity of the person to whom the liability was owed and the date the liability was incurred;
    2. The amount of the liability owed as of the end of the reporting period;
    3. The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year; and
    4. The security given, if any, for the liability.
- (7) *Schedule of immediate family members of the individual employed by the city.* A statement filed under this section shall include a schedule of the immediate family members of the individual employed by the city in any capacity at any time during the reporting period.
- (8) *Sources of earned income.*
- a. A statement filed under this section shall include a schedule of the name and address of each place of employment and of each business entity of which the individual or a member of the individual's immediate family was a sole or partial owner and from which the individual or member of the individual's immediate family received earned income, at any time during the reporting period.
  - b. A minor child's employment or business ownership need not be disclosed if the agency that employs the individual does not regulate, exercise authority over, or contract with the place of employment or business entity of the minor child.
  - c. For a statement filed on or after January 1, 2019, if the individual's spouse is a lobbyist regulated by the city, the individual shall disclose the entity that has engaged the spouse for lobbying purposes.
- (9) *Schedule of additional interests or information.* A statement filed under this section may also include a schedule of additional interests or information that the individual making the statement wishes to disclose.

- (f) *[Interests of individual making statement.]* For the purposes of subsections (e)(1), (2), and (3) of this section 19-5, the following interests are considered to be the interests of the individual making the statement:
- (1) An interest held by a member of the individual's immediate family, if the interest was, at any time during the reporting period, directly or indirectly controlled by the individual.
  - (2) An interest held by a business entity in which the individual held a thirty (30) percent or greater interest at any time during the reporting period.
  - (3) An interest held by a trust or an estate in which, at any time during the reporting period:
    - a. The individual held a reversionary interest or was a beneficiary; or
    - b. If a revocable trust, the individual was a settlor.
- (g) *Compliance.*
- (1) The board shall review the financial disclosure statements submitted under this section for compliance with the provisions of this section and shall notify an individual submitting the statement of any omissions or deficiencies.
  - (2) The board may take appropriate enforcement action to ensure compliance with this section.

**Sec. 19-6. - Same—Employees and appointed officials.**

- (a) This section only applies to the following appointed officials and employees: the city administrator and all employees at pay grade 13 and above.
- (b) A statement filed under this section shall be filed with the city clerk under oath or affirmation. The city clerk shall provide the board with copies of the statements.
- (c) On or before April 30 of each year during which an official or employee holds office, an official or employee shall file a statement disclosing gifts received during the preceding calendar year from any person that contracts with or is regulated by the city, including the name of the donor of the gift and the approximate retail value at the time of receipt.
- (d) An official or employee shall disclose employment and interests that raise conflicts of interest or potential conflicts of interest in connection with a specific proposed action by the employee or official sufficiently in advance of the action to provide adequate disclosure to the public.
- (e) The city clerk shall maintain all disclosure statements filed under this section as public records available for public inspection and copying as provided in section 19-5(c) and (d) of this chapter.

**Sec. 19-7. - Lobbying.**

- (a) A person shall file a lobbying registration statement with the city clerk (who shall provide a copy to the board) if the person:
  - (1) Personally appears before a city official or employee with the intent to influence that person in performance of the official duties of the official or employee; and
  - (2) In connection with the intent to influence, expends or reasonably expects to expend in a given calendar year in excess of one hundred dollars (\$100.00) on food, entertainment, or other gifts for officials or employees of city.

- (b) A person shall file a registration statement required under this section on or before the later of January 15 of the calendar year or within five (5) days after first performing an act that requires registration in the calendar year.
- (c) Registration statement.
  - (1) The registration statement shall identify:
    - a. The registrant;
    - b. Any other person on whose behalf the registrant acts; and
    - c. The subject matter on which the registrant proposes to make appearances specified in subsection (a) of this section.
  - (2) The registration statement shall cover a defined registration period not to exceed one (1) calendar year.
- (d) Within thirty (30) days after the end of any calendar year during which a person was registered under this section, the person shall file a report with the board disclosing:
  - (1) The value, date, and nature of any food, entertainment, or other gift provided to a city official or employee; and
  - (2) If a gift or series of gifts to a single official or employee exceeds fifty dollars (\$50.00) in value, the identity of the official or employee.
- (e) The city clerk shall maintain the registrations and reports filed under this section as public records available for public inspection and copying for four (4) years after receipt.

**Sec. 19-8. - Exemptions and modifications.**

The board may grant exemptions and modifications to the provisions of sections 19-4 and 19-6 of this chapter to employees and to appointed members of city boards and commissions, when the board finds that an exemption or modification would not be contrary to the purposes of this chapter, and the application of this chapter would:

- (1) Constitute an unreasonable invasion of privacy; and
- (2) Significantly reduce the availability of qualified persons for public service.

**Sec. 19-9. - Enforcement.**

- (a) The board may:
  - (1) Assess a late fee of five dollars (\$5.00) per day up to a maximum of five hundred dollars (\$500.00) for a failure to timely file a financial disclosure statement required under section 19-5 or 19-6 of this chapter;
  - (2) Assess a late fee of ten dollars (\$10.00) per day up to a maximum of one thousand dollars (\$1,000.00) for a failure to file a timely lobbyist registration or lobbyist report required under section 19-7 of this chapter; and
  - (3) Issue a cease and desist order against any person found to be in violation of this chapter.
- (b) (1) Upon a finding of a violation of any provision of this chapter, the board may:
  - a. Issue an order of compliance directing the respondent to cease and desist from the violation;

- b. Issue a reprimand; or
  - c. Recommend to the appropriate authority other appropriate discipline of the respondent, including censure or removal if that discipline is authorized by law.
- (2) If the board finds that a respondent has violated section 19-7 of this chapter, it may:
- a. Require a respondent who is a registered lobbyist to file any additional reports or information that reasonably related to the information that is required under section 19-7 of this chapter;
  - b. Impose a fine not exceeding five thousand dollars (\$5,000.00) for each violation; and
  - c. Suspend the registration of an individual registered lobbyist if the board finds that the lobbyist has knowingly and willfully violated section 19-7 of this chapter or has been convicted of a criminal offense arising from lobbying activities.
- (c) (1) Upon request by the board, the city solicitor may file a petition for injunctive or other relief in the Circuit Court for Allegany County, or in any other court having proper venue for the purpose of requiring compliance with the provisions of this chapter.
- (2) a. The court may:
- 1. Issue an order to cease and desist from the violation;
  - 2. Except as provided in subparagraph b. of this paragraph, void an official action taken by an official or employee with a conflict of interest prohibited by this chapter when the action arises from or concerns the subject matter of the conflict and if the legal action is brought within ninety (90) days of the occurrence of the official action, if the court deems voiding the action to be in the best interest of the public; or
  - 3. Impose a fine of up to five thousand dollars (\$5,000.00) for any violation of the provisions of this chapter, with each day upon which the violation occurs constituting a separate offense.
- b. A court may not void any official action appropriating public funds, levying taxes, or providing for the issuance of bonds, notes, or other evidences of public obligations.
- (d) In addition to any other enforcement provisions in this chapter, a person who the board or a court finds has violated this chapter:
- (1) Is subject to termination or other disciplinary action; and
  - (2) May be suspended from receiving payment of salary or other compensation pending full compliance with the terms of an order of the board or a court.
- (e) A city official or employee found to have violated this chapter is subject to disciplinary or other appropriate personnel action, including removal from office, disciplinary action, suspension of salary, or other sanction.
- (f) Violation of section 19-7 of this chapter shall be a misdemeanor subject to a fine of up to ten thousand dollars (\$10,000.00) or imprisonment of up to one (1) year.
- (g) A finding of a violation of this chapter by the board is public information.

## EXHIBIT B

### Sec. 19-1. - Short title/applicability.

- (a) This chapter may be cited as the City of Cumberland Public Ethics Code Law.
- (b) The provisions of this chapter shall apply to all city elected officials, employees, and appointees to boards and commissions of the city.

### Sec. 19-2 – Definitions

#### (a) "Designated second home" means:

- (1) If an individual owns one second home, the individual's second home; or
- (2) If an individual owns more than one second home, any one second home the individual identifies to the board as the individual's designated second home.

#### (b) "Home address" means the address of an individual's:

- (1) Principal home; and
- (2) Designated second home, if any.

#### (c) (1) "Interest" means a legal or equitable economic interest, whether or not subject to an encumbrance or a condition, that is owned or held, in whole or in part, jointly or severally, directly or indirectly.

(2) For purposes of this chapter, interest includes any interest held at any time during the reporting period.

#### (3) Interest does not include:

- a. An interest held in the capacity of a personal agent, custodian, fiduciary, personal representative, or trustee, unless the holder has an equitable interest in the subject matter;
- b. An interest in a time or demand deposit in a financial institution;
- c. An interest in an insurance policy, endowment policy, or annuity contract under which an insurer promises to pay a fixed amount of money either in a lump sum or periodically for life or a specified period;
- d. A common trust fund or a trust which forms part of a pension or profit sharing plan which has more than 25 participants and which has been determined by the Internal Revenue Service to be a qualified trust under the Internal Revenue Code;

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e. A college savings plan under the Internal Revenue Code; or

f. A mutual fund or exchange-traded fund that is publicly traded on a national scale unless the mutual fund or exchange-traded fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the individual's governmental unit.

(d) "Principal home" means the sole residential property that an individual occupies as the individual's primary residence, whether owned or rented by the individual.

(e) "Qualified relative" means a spouse, parent, child, brother, or sister.

(f) "Second home" means a residential property that:

(1) An individual occupies for some portion of the filing year; and

(2) Is not a rental property or a time share.

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#### **Sec. 19-32. - Administrative appeals board.**

- (a) There is an administrative appeals board (the "board") created under Section 238 of the Charter that consists of five (5) members appointed by the mayor and city council. The board shall be the advisory body responsible for interpreting this chapter and advising persons subject to it as to its application.
- (b) The board shall:
  - (1) Devise, receive, and maintain all forms required by this chapter;
  - (2) Develop procedures and policies for advisory opinion requests and provide published advisory opinions to persons subject to this chapter regarding the applicability of the provisions of this chapter to them;
  - (3) Develop procedures and policies for the processing of complaints to make appropriate determinations regarding complaints filed by any person alleging violations of this chapter; and
  - (4) Conduct a public information program regarding the purposes and application of this chapter.
- (c) The city solicitor shall advise the board.
- (d) The board shall certify to the state ethics commission on or before October 1 of each year that the city is in compliance with the requirements of ~~State-Government~~General Provisions Article, Ann. Code of Md. tit. 45 subtit. 8, for elected local officials.
- (e) The board shall determine if changes to this chapter are required to be in compliance with the requirements of ~~State-Government~~General Provisions Article, Ann. Code of Md. tit. 45 subtit. 8, and shall forward any recommended changes and amendments to the mayor and city council for enactment.

- (f) Any official or other person subject to the provisions of this chapter may request the board for an advisory opinion concerning the application of this chapter. The board shall respond promptly to these requests, providing interpretations of this chapter based on the facts provided or reasonably available to it. Copies of these interpretations shall be made available to the public upon request.
- (g) Any person may file with the board a complaint alleging a violation of any of the provisions of this chapter. These complaints shall be written and under oath, and may be referred to the city solicitor, or other legal counsel if appropriate, for investigation and review. If, after receiving an investigative report, the board determines that there are insufficient facts upon which to base a determination of a violation, it may dismiss the complaint. If there is a reasonable basis for believing a violation has occurred, then the subject of the complaint shall be afforded an opportunity for a hearing conducted in accordance with the board's applicable rules of procedure for actions taken on the record. Any final determination resulting from the hearing shall include findings of fact and conclusions of law. Upon a finding of a violation, the board may take any enforcement action provided for in accordance with section 19-98.
- (h) The board may adopt other policies and procedures to assist in the implementation of the board's programs established in this chapter.

**Sec. 19-43. - Conflicts of interest.**

- ~~(a) [Qualified relative defined.] In this section, "qualified relative" means a spouse, parent, child, or sibling.~~
- (ab) *{Applicability.}* All city elected officials, officials appointed to city boards and commissions subject to this chapter, and employees are subject to this section.
- (be) *Participation prohibitions.* Except as permitted by board regulation or opinion, an official or employee may not participate in:
  - (1) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision of the matter, any matter in which, to the knowledge of the official or employee, the official or employee, or a qualified relative of the official or employee has an interest.
  - (2) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision with respect to the matter, any matter in which any of the following is a party:
    - a. A business entity in which the official or employee has a direct financial interest of which the official or employee may reasonably be expected to know;
    - b. A business entity for which the official, employee, or a qualified relative of the official or employee is an officer, director, trustee, partner, or employee;
    - c. A business entity with which the official or employee or, to the knowledge of the official or employee, a qualified relative is negotiating employment or has any arrangement concerning prospective employment;
    - d. If the contract reasonably could be expected to result in a conflict between the private interests of the official or employee and the official duties of the official or employee, a business entity that is a party to an existing contract with the official or employee, or which, to the knowledge of the official or employee, is a party to a contract with a qualified relative;
    - e. An entity, doing business with the city, in which a direct financial interest is owned by another entity in which the official or employee has a direct financial interest, if

the official or employee may be reasonably expected to know of both direct financial interests; or

f. A business entity that:

1. The official or employee knows is a creditor or obligee of the official or employee or a qualified relative of the official or employee with respect to a thing of economic value; and
2. As a creditor or obligee, is in a position to directly and substantially affect the interest of the official or employee or a qualified relative of the official or employee.

(3) A person who is disqualified from participating under paragraphs (1) or (2) of this subsection shall disclose the nature and circumstances of the conflict and may participate or act if:

- a. The disqualification leaves a body with less than a quorum capable of acting;
- b. The disqualified official or employee is required by law to act; or
- c. The disqualified official or employee is the only person authorized to act.

(4) The prohibitions of paragraph (1) and (2) of this subsection do not apply if participation is allowed by regulation or opinion of the board.

(5) A former regulated lobbyist who is or becomes subject to this chapter as an employee or official, other than an elected official or an appointed official, may not participate in a case, contract, or other specific matter as an employee or official, other than an elected official or appointed official, for one calendar year after the termination of the registration of the former regulated lobbyist if the former regulated lobbyist previously assisted or represented another party for compensation in the matter.

(cd) *Employment and financial interest restrictions.*

(1) Except as permitted by regulation of the board when the interest is disclosed or when the employment does not create a conflict of interest or appearance of conflict, an official or employee may not:

- a. Be employed by or have a financial interest in any entity:
  1. Subject to the authority of the official or employee or the city agency, board, commission with which the official or employee is affiliated; or
  2. That is negotiating or has entered a contract with the agency, board, or commission with which the official or employee is affiliated; or
- b. Hold any other employment relationship that would impair the impartiality or independence of judgment of the official or employee.

(2) This prohibition does not apply to:

- a. An official or employee who is appointed to a regulatory or licensing authority pursuant to a statutory requirement that persons subject to the jurisdiction of the authority be represented in appointments to the authority;
- b. Subject to other provisions of law, a member of a board or commission in regard to a financial interest or employment held at the time of appointment, provided the financial interest or employment is publicly disclosed to the appointing authority and the board;

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- c. An official or employee whose duties are ministerial, if the private employment or financial interest does not create a conflict of interest or the appearance of a conflict of interest, as permitted by and in accordance with regulations adopted by the board; or
- d. Employment or financial interests allowed by regulation of the board if the employment does not create a conflict of interest or the appearance of a conflict of interest or the financial interest is disclosed.

(de) *Post-employment limitations and restrictions.*

- (1) A former official or employee may not assist or represent any party other than the city for compensation in a case, contract, or other specific matter involving the city if that matter is one in which the former official or employee significantly participated as an official or employee.
- (2) ~~Until the conclusion of the next regular session that begins after the elected official leaves office, A~~ former member of the city council ~~elect~~ official may not assist or represent another party for compensation in a matter that is the subject of legislative action ~~for one calendar year after the elected official leaves office.~~

(ef) *Contingent compensation.* Except in a judicial or quasi-judicial proceeding, an official or employee may not assist or represent a party for contingent compensation in any matter before or involving the city.

(fg) *Use of prestige of office.*

- (1) An official or employee may not intentionally use the prestige of office or public position for the private gain of that official or employee or the private gain of another, ~~or to influence, except as part of the official duties of the official or employee or as a usual and customary constituent service without additional compensation, the award of a state or local contract to a specific person.~~
- (2) ~~An official may not directly or indirectly initiate a solicitation for a person to retain the compensated services of a particular regulated lobbyist or lobbying firm.~~
- (3) This subsection does not prohibit the performance of usual and customary constituent services by an elected local official without additional compensation.
- (4) ~~An official, other than an elected official, or employee may not use public resources or the title of the official or employee to solicit a contribution as that term is defined in the Election Law Article.~~
- (5) ~~An elected official may not use public resources to solicit a contribution as that term is defined in the Election Law Article.~~

(gh) *Solicitation and acceptance of gifts.*

- (1) An official or employee may not solicit any gift.
- (2) An official or employee may not directly solicit or facilitate the solicitation of a gift, on behalf of another person, from an individual regulated lobbyist.
- (3) An official or employee may not knowingly accept a gift, directly or indirectly, from a person that the official or employee knows or has the reason to know:
  - a. Is doing business with or seeking to do business with the city office, agency, board, or commission with which the official or employee is affiliated;
  - b. Has financial interests that may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the official duties of the official or employee;

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- c. Is engaged in an activity regulated or controlled by the official's or employee's governmental unit; or
  - d. Is a lobbyist with respect to matters within the jurisdiction of the official or employee.
- (4) Paragraph (5) of this subsection does not apply to a gift:
- a. That would tend to impair the impartiality and the independence of judgment of the official or employee receiving the gift;
  - b. Of significant value that would give the appearance of impairing the impartiality and independence of judgment of the official or employee; or
  - c. Of significant value that the recipient official or employee believes or has reason to believe is designed to impair the impartiality and independence of judgment of the official or employee.
- (5) Notwithstanding paragraph (3) of this subsection, an official or employee may accept the following:
- a. Meals and beverages consumed in the presence of the donor or sponsoring entity;
  - b. Ceremonial gifts or awards that have insignificant monetary value;
  - c. Unsolicited gifts of nominal value that do not exceed twenty dollars (\$20.00) in cost or trivial items of informational value;
  - d. Reasonable expenses for food, travel, lodging, and scheduled entertainment of the official or the employee at a meeting which is given in return for the participation of the official or employee in a panel or speaking engagement at the meeting;
  - e. Gifts of tickets or free admission extended to an elected local official to attend a charitable, cultural, or political event, if the purpose of this gift or admission is a courtesy or ceremony extended to the elected official's office;
  - f. A specific gift or class of gifts that the board exempts from the operation of this subsection upon a finding, in writing, that acceptance of the gift or class of gifts would not be detrimental to the impartial conduct of the business of the city and that the gift is purely personal and private in nature;
  - g. Gifts from a person related to the official or employee by blood or marriage, or any other individual who is a member of the household of the official or employee; or
  - h. Honoraria for speaking to or participating in a meeting, provided that the offering of the honorarium is in not related in any way to the official's or employee's official position.

(hi) *Disclosure of confidential information.* Other than in the discharge of official duties, an official or employee may not disclose or use confidential information, that the official or employee acquired by reason of the official's or employee's public position and that is not available to the public, for the economic benefit of the official or employee or that of another person.

(ij) *Participation in procurement.*

- (1) An individual or a person that employs an individual who assists a city agency in the drafting of specifications, an invitation for bids, or a request for proposals for a procurement may not submit a bid or proposal for that procurement or assist or represent another person, directly or indirectly, who is submitting a bid or proposal for the procurement.
- (2) The board may establish exemptions from the requirements of this section for providing descriptive literature, sole source procurements, and written comments solicited by the procuring agency.

**Sec. 19-54. - Financial disclosure—Local elected officials and candidates to be local elected officials.**

(a) *Applicability/financial disclosure statements.*

- (1) This section applies to all local elected officials and candidates to be local elected officials.
- (2) Except as provided in subsection (b) of this section, a local elected official or a candidate to be a local elected official shall file the financial disclosure statement required under this section:
  - a. On a form provided by the board;
  - b. Under oath or affirmation; and
  - c. With the board.
- (3) Deadlines for filing statements.
  - a. An incumbent local elected official shall file a financial disclosure statement annually no later than April 30 of each year for the preceding calendar year.
  - b. An individual who is appointed to fill a vacancy in an office for which a financial disclosure statement is required and who has not already filed a financial disclosure statement shall file a statement for the preceding calendar year within thirty (30) days after appointment.
  - c.
    1. An individual who, other than by reason of death, leaves an office for which a statement is required shall file a statement within sixty (60) days after leaving the office.
    2. The statement shall cover:
      - i. The calendar year immediately preceding the year in which the individual left office, unless a statement covering that year has already been filed by the individual; and
      - ii. The portion of the current calendar year during which the individual held the office.

(b) *Candidates to be local elected officials.*

- (1) Except for an official who has filed a financial disclosure statement under another provision of this section for the reporting period, a candidate to be an elected local official shall file under a financial disclosure statement each year beginning with the year in which the certificate of candidacy is filed through the year of the election.
- (2) A candidate to be an elected local official shall file a statement required under this section:
  - a. In the year the certificate of candidacy is filed, no later than the filing of the certificate of candidacy;
  - b. In the year of the election, on or before the earlier of April 30 or the last day for the withdrawal of candidacy; and
  - c. In all other years for which a statement is required, on or before April 30.
- (3) A candidate to be an elected official shall file the statements required under subsection (b) with the city clerk.

- (4) If a candidate fails to file a statement required by this section after written notice is provided by the city clerk at least twenty (20) days before the last day for the withdrawal of candidacy, the candidate is deemed to have withdrawn the candidacy.
  - (5) The city clerk may not accept any certificate of candidacy unless a statement has been filed in proper form.
  - (6) Within thirty (30) days of the receipt of a statement required under this section, the city clerk shall forward the statement to the board or the office designated by the board.
- (c) *Public record.*
- (1) The city clerk shall maintain all financial disclosure statements filed under this section.
  - (2) Financial disclosure statements shall be made available during normal office hours for examination and copying by the public subject to reasonable fees and administrative procedures established by the board or the city.
  - (3) If an individual examines or copies a financial disclosure statement, the city clerk shall record:
    - a. The name and home address of the individual reviewing or copying the statement; and
    - b. The name of the person whose financial disclosure statement was examined or copied.
  - (4) Upon request by the official or employee whose financial disclosure statement was examined or copied, the city clerk shall provide the official with a copy of the name and home address of the person who reviewed the official's financial disclosure statement.
  - (5) For statements filed after January 1, 2019, the city clerk may not provide public access to an individual's home address that the individual has designated as the individual's home address.
- (d) *Retention requirements.* The city clerk shall retain financial disclosure statements for four (4) years from the date of receipt.
- (e) *Contents of statement.*
- (1) *Interests in real property.*
    - a. A statement filed under this section shall include a schedule of all interests in real property wherever located.
    - b. For each interest in real property, the schedule shall include:
      1. The nature of the property and the location by street address, mailing address, or legal description of the property;
      2. The nature and extent of the interest held, including any conditions and encumbrances on the interest;
      3. The date when, the manner in which, and the identity of the person from whom the interest was acquired;
      4. The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired;
      5. If any interest was transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and the identity of the person to whom the interest was transferred; and
      6. The identity of any other person with an interest in the property.

(2) *Interests in corporations and partnerships.*

- a. A statement filed under this section shall include a schedule of all interests in any corporation, partnership, limited liability partnership, or limited liability corporation, regardless of whether the corporation or partnership does business with the city.
- b. For each interest reported under this paragraph, the schedule shall include:
  1. The name and address of the principal office of the corporation, partnership, limited liability partnership, or limited liability corporation;
  2. The nature and amount of the interest held, including any conditions and encumbrances on the interest;
  3. With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and, if known, the identity of the person to whom the interest was transferred; and
  4. With respect to any interest acquired during the reporting period:
    - i. The date when, the manner in which, and the identity of the person from whom the interest was acquired; and
    - ii. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
- c. An individual may satisfy the requirement to report the amount of the interest held under item b.2. of this paragraph by reporting, instead of a dollar amount:
  1. For an equity interest in a corporation, the number of shares held and, unless the corporation's stock is publicly traded, the percentage of equity interest held; or
  2. For an equity interest in a partnership, the percentage of equity interest held.

(3) *Interests in business entities doing business with the city.*

- a. A statement filed under this section shall include a schedule of all interests in any business entity that does business with the city, other than interests reported under paragraph (2) of this subsection.
- b. For each interest reported under this paragraph, the schedule shall include:
  1. The name and address of the principal office of the business entity;
  2. The nature and amount of the interest held, including any conditions to and encumbrances in the interest;
  3. With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received in exchange for the interest, and, if known, the identity of the person to whom the interest was transferred; and
  4. With respect to any interest acquired during the reporting period:
    - i. The date when, the manner in which, and the identity of the person from whom the interest was acquired; and
    - ii. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.

(4) *Gifts.*

- a. A statement filed under this section shall include a schedule of each gift in excess of twenty dollars (\$20.00) in value or a series of gifts totaling one hundred dollars (\$100.00) or more received during the reporting period from or on behalf of, directly or indirectly, any one (1) person who does business with or is regulated by the city.
  - b. For each gift reported, the schedule shall include:
    1. A description of the nature and value of the gift; and
    2. The identity of the person from whom, or on behalf of whom, directly or indirectly, the gift was received.
- (5) *Employment with or interests in entities doing business with the city.*
- a. A statement filed under this section shall include a schedule of all offices, directorships, and salaried employment by the individual or member of the immediate family of the individual held at any time during the reporting period with entities doing business with the city.
  - b. For each position reported under this paragraph, the schedule shall include:
    1. The name and address of the principal office of the business entity;
    2. The title and nature of the office, directorship, or salaried employment held and the date it commenced; and
    3. The name of each city agency with which the entity is involved.
- (6) *Indebtedness to entities doing business with city.*
- a. A statement filed under this section shall include a schedule of all liabilities, excluding retail credit accounts, to persons doing business with the city or regulated by the individual's city unit or department owed at any time during the reporting period:
    1. By the individual; or
    2. By a member of the immediate family of the individual if the individual was involved in the transaction giving rise to the liability.
  - b. For each liability reported under this paragraph, the schedule shall include:
    1. The identity of the person to whom the liability was owed and the date the liability was incurred;
    2. The amount of the liability owed as of the end of the reporting period;
    3. The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year; and
    4. The security given, if any, for the liability.
- (7) *Schedule of immediate family members of the individual employed by the city.* A statement filed under this section shall include a schedule of the immediate family members of the individual employed by the city in any capacity at any time during the reporting period.
- (8) *Sources of earned income.*
- a. A statement filed under this section shall include a schedule of the name and address of each place of employment and of each business entity of which the individual or a member of the individual's immediate family was a sole or partial owner and from which the individual or member of the individual's immediate family received earned income, at any time during the reporting period.

b. A minor child's employment or business ownership need not be disclosed if the agency that employs the individual does not regulate, exercise authority over, or contract with the place of employment or business entity of the minor child.

c. For a statement filed on or after January 1, 2019, if the individual's spouse is a lobbyist regulated by the city, the individual shall disclose the entity that has engaged the spouse for lobbying purposes.

(9) *Schedule of additional interests or information.* A statement filed under this section may also include a schedule of additional interests or information that the individual making the statement wishes to disclose.

(f) *[Interests of individual making statement.]* For the purposes of subsections (e)(1), (2), and (3) of this section 19-54, the following interests are considered to be the interests of the individual making the statement:

(1) An interest held by a member of the individual's immediate family, if the interest was, at any time during the reporting period, directly or indirectly controlled by the individual.

(2) An interest held by a business entity in which the individual held a thirty (30) percent or greater interest at any time during the reporting period.

(3) An interest held by a trust or an estate in which, at any time during the reporting period:

a. The individual held a reversionary interest or was a beneficiary; or

b. If a revocable trust, the individual was a settlor.

(g) *Compliance.*

(1) The board shall review the financial disclosure statements submitted under this section for compliance with the provisions of this section and shall notify an individual submitting the statement of any omissions or deficiencies.

(2) The board may take appropriate enforcement action to ensure compliance with this section.

**Sec. 19-55. - Same—Employees and appointed officials.**

(a) This section only applies to the following appointed officials and employees: the city administrator and all employees at pay grade 13 and above.

(b) A statement filed under this section shall be filed with the city clerk under oath or affirmation. The city clerk shall provide the board with copies of the statements.

(c) On or before April 30 of each year during which an official or employee holds office, an official or employee shall file a statement disclosing gifts received during the preceding calendar year from any person that contracts with or is regulated by the city, including the name of the donor of the gift and the approximate retail value at the time of receipt.

(d) An official or employee shall disclose employment and interests that raise conflicts of interest or potential conflicts of interest in connection with a specific proposed action by the employee or official sufficiently in advance of the action to provide adequate disclosure to the public.

(e) The city clerk shall maintain all disclosure statements filed under this section as public records available for public inspection and copying as provided in section 19-54(c) and (d) of this chapter.

**Sec. 19-76. - Lobbying.**

- (a) A person shall file a lobbying registration statement with the city clerk (who shall provide a copy to the board) if the person:
  - (1) Personally appears before a city official or employee with the intent to influence that person in performance of the official duties of the official or employee; and
  - (2) In connection with the intent to influence, expends or reasonably expects to expend in a given calendar year in excess of one hundred dollars (\$100.00) on food, entertainment, or other gifts for officials or employees of city.
- (b) A person shall file a registration statement required under this section on or before the later of January 15 of the calendar year or within five (5) days after first performing an act that requires registration in the calendar year.
- (c) Registration statement.
  - (1) The registration statement shall identify:
    - a. The registrant;
    - b. Any other person on whose behalf the registrant acts; and
    - c. The subject matter on which the registrant proposes to make appearances specified in subsection (a) of this section.
  - (2) The registration statement shall cover a defined registration period not to exceed one (1) calendar year.
- (d) Within thirty (30) days after the end of any calendar year during which a person was registered under this section, the person shall file a report with the board disclosing:
  - (1) The value, date, and nature of any food, entertainment, or other gift provided to a city official or employee; and
  - (2) If a gift or series of gifts to a single official or employee exceeds fifty dollars (\$50.00) in value, the identity of the official or employee.
- (e) The city clerk shall maintain the registrations and reports filed under this section as public records available for public inspection and copying for four (4) years after receipt.

**Sec. 19-87. - Exemptions and modifications.**

The board may grant exemptions and modifications to the provisions of sections 19-43 and 19-65 of this chapter to employees and to appointed members of city boards and commissions, when the board finds that an exemption or modification would not be contrary to the purposes of this chapter, and the application of this chapter would:

- (1) Constitute an unreasonable invasion of privacy; and
- (2) Significantly reduce the availability of qualified persons for public service.

**Sec. 19-98. - Enforcement.**

- (a) The board may:

- (1) Assess a late fee of ~~five~~two dollars (\$~~5~~2.00) per day up to a maximum of ~~five~~two hundred ~~fifty~~ dollars (\$~~50~~250.00) for a failure to timely file a financial disclosure statement required under section 19-~~5~~4 or 19-~~6~~5 of this chapter;
  - (2) Assess a late fee of ten dollars (\$10.00) per day up to a maximum of ~~two-hundred fiftyone thousand~~ dollars (\$~~1,000~~250.00) for a failure to file a timely lobbyist registration or lobbyist report required under section 19-~~7~~6 of this chapter; and
  - (3) Issue a cease and desist order against any person found to be in violation of this chapter.
- (b) (1) Upon a finding of a violation of any provision of this chapter, the board may:
- a. Issue an order of compliance directing the respondent to cease and desist from the violation;
  - b. Issue a reprimand; or
  - c. Recommend to the appropriate authority other appropriate discipline of the respondent, including censure or removal if that discipline is authorized by law.
- (2) If the board finds that a respondent has violated section 19-~~7~~6 of this chapter, it may:
- a. Require a respondent who is a registered lobbyist to file any additional reports or information that reasonably related to the information that is required under section 19-~~7~~6 of this chapter;
  - b. Impose a fine not exceeding ~~five~~one thousand dollars (\$~~5~~4,000.00) for each violation; and
  - c. Suspend the registration of an individual registered lobbyist if the board finds that the lobbyist has knowingly and willfully violated section 19-~~7~~6 of this chapter or has been convicted of a criminal offense arising from lobbying activities.
- (c) (1) Upon request by the board, the city solicitor may file a petition for injunctive or other relief in the Circuit Court for Allegany County, or in any other court having proper venue for the purpose of requiring compliance with the provisions of this chapter.
- (2) a. The court may:
1. Issue an order to cease and desist from the violation;
  2. Except as provided in subparagraph b. of this paragraph, void an official action taken by an official or employee with a conflict of interest prohibited by this chapter when the action arises from or concerns the subject matter of the conflict and if the legal action is brought within ninety (90) days of the occurrence of the official action, if the court deems voiding the action to be in the best interest of the public; or
  3. Impose a fine of up to ~~five~~one thousand dollars (\$~~5~~4,000.00) for any violation of the provisions of this chapter, with each day upon which the violation occurs constituting a separate offense.
- b. A court may not void any official action appropriating public funds, levying taxes, or providing for the issuance of bonds, notes, or other evidences of public obligations.
- (d) In addition to any other enforcement provisions in this chapter, a person who the board or a court finds has violated this chapter:
- (1) Is subject to termination or other disciplinary action; and
  - (2) May be suspended from receiving payment of salary or other compensation pending full compliance with the terms of an order of the board or a court.

- (e) A city official or employee found to have violated this chapter is subject to disciplinary or other appropriate personnel action, including removal from office, disciplinary action, suspension of salary, or other sanction.
- (f) Violation of section 19-76 of this chapter shall be a misdemeanor subject to a fine of up to ~~ten~~five thousand dollars (\$105,000.00) or imprisonment of up to one (1) year.
- (g) A finding of a violation of this chapter by the board is public information.



Regular Council Agenda  
October 16, 2018

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**Description**

Ordinance (*2nd reading & 3rd readings*) - repealing and re-enacting Chapter 19 of the City Code, entitled "Public Ethics," for the purpose of complying with State legislation requiring that local ethics laws pertaining to elected local officials, conflicts of interest, and financial disclosure be equivalent or exceed applicable State law

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED "AN ORDINANCE TO AUTHORIZE THE EXECUTION OF A DEVELOPMENT AGREEMENT AND AGREEMENT OF SALE WITH CUMBERLAND ECONOMIC DEVELOPMENT CORPORATION AND CUMBERLAND GATEWAY REAL ESTATE LLC RELATIVE TO THE MARYLAND AVENUE REDEVELOPMENT PROJECT AND THE EXECUTION OF A DEED CONVEYING TO CUMBERLAND GATEWAY REAL ESTATE LLC CERTAIN SURPLUS PROPERTY CONSISTING OF 10 SEPARATE PARCELS OF REAL ESTATE IN THE PROJECT AREA IN THE CITY OF CUMBERLAND, ALLEGANY COUNTY, MARYLAND."

**WHEREAS**, Cumberland Economic Development Corporation ("CEDC") and Cumberland Gateway Real Estate LLC (the "Developer") entered into an Agreement of Sale dated March 24, 2017 relative to the sale and development of real property owned by CEDC in pursuance of the commercial development project commonly known as the Maryland Avenue Redevelopment Project;

**WHEREAS**, CEDC, the Developer and the City agree that the City should be included with respect to the Agreement of Sale relative to the hereinafter-identified Parcels, and that its terms need to be amended for the purpose of clarifying the parties' respective obligations and other provisions pertaining to the Project;

**WHEREAS**, the City, Developer and CEDC jointly drafted a Development Agreement and Agreement of Sale in order to achieve the aforesaid purposes;

**WHEREAS**, in addition to the provisions relative to the development of the properties subject to its terms, the Development Agreement and Agreement of Sale provides for

the sale of the said Properties from the City and the CEDC to the Developer;

**WHEREAS**, the parcels of real property that will be conveyed to the Developer by the City (the "Parcels") are as follows:

<i>Address</i>	<i>Tax ID No.</i>	<i>Deed Reference / Allegany County Land Records</i>
513 Maryland Avenue	22-015516	Book 02162 / Page 00223
521/523 Maryland Avenue	22-014730	Book 02158 / Page 00351
529 Maryland Avenue	22-010735	Book 02145 / Page 00256
404 Park Street	22-011022	Book 02172 / Page 00515
406 Park Street	22-012290	Book 02137 / Page 00138
414 Park Street	22-009923	Book 02178 / Page 00369
224 Cecelia Street	22-015346	Book 02145 / Page 00261
226 Cecelia Street	22-015338	Book 02145 / Page 00261
229 Cecelia Street	22-003976	Book 02214 / Page 00416
257-259 Williams Street	04-022009	Book 02168 / Page 00011

**WHEREAS**, the Parcels were declared to be surplus property under the terms of Order No. 26,263 passed by the Mayor and City Council on March 20, 2018; and

**WHEREAS**, the Mayor and City Council of Cumberland deem the entry into the Development Agreement and Agreement of Sale and the conveyance of the Parcels to the Developer to be in the City's best interests.

**NOW, THEREFORE**

**SECTION 1:** BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, that the Mayor be and he is hereby authorized to execute the Development Agreement and Agreement of Sale;

**SECTION 2:** AND BE IT FURTHER ORDAINED, that the Mayor be and he is hereby authorized to execute a Deed in order to effect the conveyance of the Parcels to the Developer in accordance with the terms of the Development Agreement and Agreement of Sale;

**SECTION 3:** AND BE IT FURTHER ORDAINED, that the City Solicitor be and he is hereby authorized to execute such other documents as may be required or expedient for the purpose of facilitating and completing the aforesaid conveyance;

**SECTION 4:** AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_ day of October, 2018.

\_\_\_\_\_  
Brian K. Grim, Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring, City Clerk

THIS DEVELOPMENT AGREEMENT AND AGREEMENT OF SALE (this “Development Agreement”), by and between CUMBERLAND ECONOMIC DEVELOPMENT CORPORATION, a Maryland corporation having its principal place of business at 60 Pershing Street, Cumberland, Maryland 21502, (the “CEDC”) and the MAYOR AND CITY COUNCIL OF CUMBERLAND, a municipal corporation of the State of Maryland (the “City”) (collectively, the “Seller”), and CUMBERLAND GATEWAY REAL ESTATE LLC, a Maryland limited liability company having its principal place of business at 117 West Patrick Street, Suite 200, Frederick, Maryland 21701 (the “Buyer”).

#### Explanation

The CEDC and Buyer entered into an Agreement of Sale dated March 24, 2017, a copy of which is attached hereto, incorporated herein, and marked as Exhibit No. 1 (the “Agreement of Sale”). Pursuant to the terms of the Agreement of Sale, a Settlement Date of August 30, 2017, was established for a sale of the Property and Additional Property by the CEDC to the Buyer (Agreement of Sale, Section 1). The Agreement of Sale contemplated the development by the Buyer of the Property and Additional Property in phases over a period of time. The Agreement of Sale, however, did not identify the nature of the development, provide specific details relating to phases of development, and failed to adequately define the rights, obligations, and commitments of the parties. The CEDC and the Buyer, as the Developer, wish to replace the Agreement of Sale with this

Development Agreement. The City joins in this Development Agreement in order to provide certain assurances to the parties, as set forth in this Development Agreement.

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, the Seller and Buyer do hereby agree, as follows:

## Article I

### General Provisions

Section 1.01 Explanation. The Explanation set forth above is hereby incorporated as a substantive provision of this Development Agreement.

Section 1.02 Purpose of Agreement. The purpose of this Development Agreement is to effectuate redevelopment of the Project Area located in the City of Cumberland, Allegany County, Maryland. This Development Agreement is entered into for the purpose of commercial development and not for speculation in land holding.

Section 1.03 Novation. The Seller and the Buyer enter into this Development Agreement as a novation with respect to the rights and benefits arising or relating in any way to the Agreement of Sale. The Seller and the Buyer agree that, upon execution of this Development Agreement, the Agreement of Sale shall be terminated and each party's right, title, and interest arising out of or in any way relating to the Agreement of Sale shall be extinguished. In accordance with the provisions of Section 5.10, this Development Agreement supersedes any and all prior agreements or understandings between the parties relating to the subject matter of this Development Agreement.

Section 1.04 Prohibition Against Change in Ownership of Buyer.

A. The qualifications and identities of the persons and entities comprising the Buyer are of particular concern to the Seller. It is because of these qualifications and identities that the Seller has entered into this Development Agreement. No voluntary or involuntary successor in interest of the Buyer shall acquire any rights or powers under this Development Agreement, except as expressly set forth herein. Any withdrawal or change (whether voluntary, involuntary or by operation of law) of a member or interest holder owning a controlling interest in Buyer shall be deemed to be an assignment of this Development Agreement to a third party and shall not be permitted except as set forth hereinafter. Notwithstanding the foregoing, a change of a member or interest holder owning a controlling interest in Buyer caused by the death of such member or interest holder shall not be considered an assignment of this Development Agreement to a third party.

B. Except as otherwise provided in this Development Agreement, the Buyer shall not assign all or any part of this Development Agreement to a third party without the prior written approval of the Seller, which consent the Seller may withhold within its sole and absolute discretion. Exercise of discretion by the Seller shall be based upon the proposed assignee's capability to perform the Buyer's obligations under this Development Agreement in a similar fashion as the Buyer. Any assignment of this Development Agreement without the prior written approval of the Seller is void and shall be considered to be a breach in its terms.

C. The Buyer shall promptly notify the Seller, in writing, of material change in the identity or financial condition of any principal member of the Buyer or material change among the operation and management of the officers or members of the Buyer.

Section 1.05 Defined Terms. The following terms used in this Development Agreement, unless the context otherwise requires, shall have the following meanings:

“City” shall mean the Mayor and City Council of Cumberland, a municipal corporation of the State of Maryland.

“Declaration” shall mean those certain covenants, conditions, and restrictions (the “Declaration”) to be recorded on all Development Parcels by the Developer as more fully set forth in this Development Agreement. To the extent that the Seller has an interest in any Development Parcel, it agrees that such parcels shall be subject to the Declaration.

“Developer” shall mean Cumberland Gateway Real Estate, LLC.

“Development Agreement” shall mean the terms of this Development Agreement. The purpose of the Development Agreement is to effectuate redevelopment within the Project Area for commercial use with that redevelopment designed to complement, enhance, and serve residential and commercial properties in proximity to the Project Area.

“Development Parcels” shall mean the Property divided into phases of development in accordance with the Development Plan.

“Development Plan” shall mean the Development Plan as defined and discussed in Section 3.02 of this Development Agreement.

“Effective Date” shall mean the date that this Development Agreement is fully signed by the parties.

“Governmental Agency” shall mean any (1) governmental or quasi-governmental entity of any nature, including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, taxing authority or unit and any court or other tribunal (foreign, federal, state or local), or (2) person, or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

“Governmental Approval” shall mean a permit, license, certificate, franchise, concession, approval, consent, ratification, permission, clearance, confirmation, endorsement, waiver, certification, filing, franchise, notice, variance, right, designation, rating, registration, qualification, authorization or order that is or has been issued, granted, given or otherwise made available by or under the authority of any Governmental Agency or pursuant to any Law.

“Laws” shall mean all laws, rules, regulations, ordinances, resolutions, adopted guidelines, and official policies of governmental entities.

“Permits and Approvals” shall mean the permits and approvals for the Project or each phase thereof that are required for the development of the Project or the particular phase that is being developed (other than building permits), as the case may be, that is needed for public access and the development of a particular phase. Said Permits and Approvals shall be consistent with City standards.

“Project” shall mean the acquisition, development, sale, disposition, and/or management of the Development Parcels as contemplated by this Development Agreement.

“Project Area” shall mean the area bounded by Emily Street, Maryland Avenue, Williams Street, and Park Avenue, as well as several parcels located on Williams Street adjacent to the bounded area, all as identified on Exhibit No. 2, attached hereto, incorporated herein, and marked as “Project Area Exhibit No. 2.”

“Project Property” shall mean the Property.

“Property” shall mean all those properties identified and included in the Project Area attached hereto, incorporated herein, and marked as Exhibit No. 3.

“Seller” shall mean CEDC and the City. Any and all rights and remedies of the Seller under the terms of this Development Agreement may be invoked by CEDC and the City individually or jointly with one another. Wherever the consent of the Seller is required herein, the consent of CEDC and the City must be obtained.

Section 1.06 Additional Defined Terms. To the extent that any capitalized terms contained in this Development Agreement are not defined above, then such terms shall have the meaning otherwise described to them in this Development Agreement.

## Article II

### Agreement of Sale

Section 2.01 Sale of Property. Seller agrees to sell and convey and Buyer agrees to purchase and acquire the Property.

Section 2.02 Exceptions to Title. Seller shall convey and Buyer shall accept the Property subject to (i) all zoning ordinances and regulations and (ii) all covenants, conditions, restrictions, easements and other matters approved or waived by Buyer pursuant to Section 2.05.

Section 2.03 Purchase Price. The Purchase Price for the Property is Six Hundred Thousand Dollars (\$600,000.00)(the “Purchase Price”), together with:

A. The assumption by the Buyer of the obligations set forth in Article III of this Development Agreement entitled “Development Provisions.” The assumption of the obligations and requirements of the Development Provisions are a material consideration for the sale of the Property; accordingly, the terms, conditions, and obligations of this Development Agreement shall survive closing and shall be deemed to be covenants which run with the land for the period commencing upon the Effective Date and concluding at such time the Developer has satisfied all of its obligations under this Development Agreement, subject to extension and earlier termination as set forth herein. Notwithstanding the foregoing, those restrictions and reservations set forth on Exhibit No. 4, Paragraph 1 shall run with the land in perpetuity and those restrictions and reservations set forth on Exhibit No. 4, Paragraph 2 shall run with the land for a period of ten (10) years from the date of the deed from Seller.

B. The execution at closing of a Promissory Note in the original principal amount of Six Hundred Thousand Dollars (\$600,000);

C. The execution at closing of a Deed of Trust to be secured by the Property in favor of the Seller, in the total amount of Six Hundred Thousand Dollars (\$600,000.00) (the "Security").

D. The Purchase Price shall be forgiven and the Security shall be released upon performance by the Buyer, as follows:

1. Upon completion of Phase 1 of the Project, as contemplated by Section 3.01, and the issuance of a Use and Occupancy Permit to the Buyer or Buyer's tenant for Phase 1, the Seller shall reduce the principal balance of the Promissory Note to Four Hundred Thousand Dollars (\$400,000.00);

2. Upon completion of Phase 2 of the Project, as contemplated by Section 3.01, and the issuance of a Use and Occupancy Permit to the Buyer or Buyer's tenant for Phase 2, the Seller shall reduce the principal balance of the Promissory Note to Two Hundred Thousand Dollars (\$200,000.00);

3. Upon completion of Phase 3 of the Project, as contemplated by Section 3.01, and the issuance of a Use and Occupancy Permit to the Buyer or Buyer's tenant for Phase 3, the Promissory Note and Deed of Trust shall be reflected as fully paid and satisfied; and

4. The Seller agrees to subordinate the Deed of Trust to permit the Buyer to obtain and secure construction financing for the Project.

E. Upon execution of this Development Agreement, the Buyer and its representatives and agents shall have reasonable access to the Property and the right to

conduct, at Buyer's sole cost and expense, reasonable inspections and investigations of the Property.

Section 2.04 Proration of Taxes and Utilities. All taxes and assessments becoming due and accruing during the fiscal year in which the Deed is delivered shall be prorated between the Seller and the Buyer as of the Closing Date. If the amount of any such tax or assessment to be prorated cannot then be ascertained, the proration shall be computed on the amount of such tax or assessment for the preceding year. If the amount of tax assessments is based upon the preceding year, then such proration shall not be adjusted when actual amounts of tax assessments are available.

Section 2.05 Title Commitment: Objections. Buyer shall arrange and pay for such examination of the title to the Property as Buyer deems necessary. Failure to obtain such examination or to report to Seller any title objections shall constitute a waiver by Buyer of any and all title defects affecting Buyer's obligation to purchase and Seller's liabilities as Seller. Any substantial defects in title which render title unmarketable must be reported to Seller in writing within thirty (30) days from the Effective Date of this Development Agreement.

If Seller has not cured all substantial defects (other than liens to be released at closing) within thirty (30) days from Buyer's notice to Seller, Buyer shall have the option, in its sole discretion, of (i) taking such title as Seller can deliver without abatement of the Purchase Price, (ii) applying so much of the Purchase Price as is necessary to perfect title, or (iii) terminating this Development Agreement, whereupon

Seller and Buyer shall be completely discharged from all liability or obligation arising out of this Development Agreement.

Section 2.06 Closing. The following documents shall be delivered by Seller to Buyer within the later of, thirty (30) days from the Effective Date or sixty (60) days of the Effective Date in the event of a substantial defect in title which renders title unmarketable provided the Seller has elected to take such title as Seller can deliver without abatement of the Purchase Price or apply so much of the Purchase Price as is necessary to perfect title, (the "Closing Date"):

A. A special warranty deed or deeds (collectively the "Deed") conveying fee simple title to Buyer or its designee, subject only to permitted liens;

B. An IRS Form 1099S Disclosure Statement (if required under the Internal Revenue Code);

C. A closing settlement statement;

D. An owner's affidavit that shall, among other things, contain such certifications as reasonably required by the Title Insurer to issue a standard title insurance policy;

E. Certificate duly executed by Seller setting forth Seller's address and tax identification numbers and certifying that Seller is not a foreign person for purposes of the Foreign Investment in Real Property Tax Act (FIRPTA) and any similar certificate required under applicable Federal or State Law;

F. Any and all other documents reasonably requested by Buyer; and

G. Seller shall bear the cost to prepare the Deed, and Buyer shall bear the cost of recording the Deed and all other recordation and transfer taxes due at Closing.

Section 2.07 Seller's Documents. The Seller shall provide all property documents in its possession within ten (10) days of the Effective Date, which shall include, but not be limited to, all surveys, plats, environmental studies, title abstracts and title insurance binders.

Section 2.08 Disclaimer of Representations and Warranties. Buyer represents that it has fully inspected the Property. Seller makes no representations or warranties with respect to the Property, either express or implied (other than the special warranty of title in the Deed.) Buyer accepts the Property "AS IS," as described in Section 4.01. It is specifically agreed that the provisions of this paragraph shall survive the closing and delivery of the Deed.

### Article III

#### Development Provisions

Section 3.01 Use of the Property. The Property shall be utilized and may only be used by the Buyer in accordance with these Development Provisions. Any and all development of the Property shall be subject to the following:

A. The Property shall be developed in phases which may be equal or unequal in size. The use of the term "phases" is intended to permit the development of the Property to the maximum economic advantage of the Developer and to establish an orderly process for the overall development of the Project Area. The parties reasonably anticipate three (3) to five (5) phases of development;

B. Within six (6) months of the Closing Date, the Buyer shall file with the City a proposed Development Plan for the Project and Project Area;

C. Within twelve (12) months of the Closing Date, the Buyer shall file with the City all engineering and building permit applications required by City Code (the "Code") for the construction and operation of Phase 1 of the Project;

D. Within eighteen (18) months of the Closing Date, the Buyer shall have secured all Governmental Approvals required by the Code and in compliance with the provisions of the Code and Maryland law for the construction and operation of Phase 1;

E. Within twenty-four (24) months of the Closing Date, Phase 1 shall be fully completed and developed, and Buyer or Buyer's tenant shall have obtained a Use and Occupancy Permit for the same;

F. Each additional phase shall be fully completed and developed, and the Buyer or Buyer's tenant shall have obtained a Use and Occupancy Permit for the phase, within six (6) months of the sooner to occur of: (i) the issuance of a Use and Occupancy Permit for the preceding phase, or (ii) the deadline for completion of the prior phase.

G. It shall be the duty of the Buyer to apply for, and pursue the issuance of, all permits and Governmental Approvals in a commercially reasonable and timely manner to ensure the development of the Project in the phases anticipated by this Development Agreement. If, through no fault of the Buyer, a delay is caused with respect to the securing of all Governmental Approvals for the construction and operation of a particular phase, then the deadline to complete such phase shall be extended by an equal period of time as the delay.

Section 3.02 Development Plan. The Developer's proposed Development Plan shall be subject to the City's approval, which shall not be unreasonably withheld. The City may, but shall not be required to, approve a Development Plan that lacks the desired or necessary level of specificity as to a particular matter. If the City elects to do so, the parties shall memorialize in the Development Plan the nature of the matter lacking specificity, the manner in which the matter shall be addressed by the parties, and the timetable for addressing the matter. The City may withhold Permits and Approvals until such time as it approves the Development Plan and, with respect to any matter deferred in the plan due to a lack of specificity, the City may withhold Permits and Approvals pertaining to the deferred matter until the matter is addressed consistent with the plan. If, through no fault of the Buyer, a delay is caused with respect to the City's approval of the Development Plan or any portion thereof, then the deadline to complete an affected phase of development shall be extended by an equal period of time as the delay. The Project shall be constructed and developed in accordance with the terms of the Development Plan. The Development Plan shall include, without limitation,

A. Site plan depicting, among other things, the location and dimensions of all building pad(s), the location, type and amount of parking, and the means of ingress and egress into the development;

B. Aesthetic design concept plan, including, location and nature of signage, location and nature of foliage, color and type of building improvements, and other aesthetic design features of the development.

C. Traffic impact study, if required by the State Highway Department;

- D. Concept plan for improvements, changes and additions to any public easement or right-of-way;
- E. Stormwater management concept plan;
- F. Concept plan for improvements, changes and additions to public utilities, water and sewage infrastructure servicing the development;
- G. Summary of all rules and restrictions the Developer intends to impose upon the development;
- H. Schedule for and explanation of the various phases of development, including the contemplated commercial uses for each phase; and
- I. Reasonable provisions to afford the Developer the right to transfer units of square footages and density between phases, planning areas and separate location within the Project Area, and location and relocation of uses within the development.

Section 3.03 Fast Track Approval. The City and Developer agree that the effective development of the Project Area requires a fast track approval process for all phases of the Project. The City agrees to implement such reasonable procedures consistent with applicable Laws to facilitate the foregoing.

Section 3.04 Covenants, Conditions, and Restrictions. Developer shall create covenants, conditions, and restrictions in the form of a Declaration to be recorded on all Development Parcels. The Declaration may include exclusive agreements with third parties for the offering of their services within the Development Parcels and shall include, at a minimum, those restrictions and reservations set forth on Exhibit No. 4, attached

hereto and incorporated herein. The Declaration shall be subject to the approval of the Seller, which shall not be unreasonably withheld.

Section 3.05 Costs of Construction and Other Costs. Except as otherwise provided in this Development Agreement, the costs of developing the Project, including, without limitation, the construction of improvements as identified in the Development Plan, shall be borne by Developer and/or third parties procured by Developer.

Except as otherwise provided in this Development Agreement, Developer shall, at its sole cost and expense, cause to be prepared, and shall pay any and all fees pertaining to the review and approval of the Development Plan by the City and all required construction, planning, and other documents reasonably required by any governmental authority relating to the development of the Development Parcels hereunder, including, but not limited to, specifications, drawings, plans, maps, permit applications, land use applications, zoning applications, and design review documents.

Except as otherwise provided in this Development Agreement, Developer shall pay for any and all costs concerning the design, construction, relocation and securing of permits for utility improvements and connections, including sewers and sewer lines, power lines and poles, water lines, gas lines, cable lines and related vaults, storm drains and vaults, traffic access ways, lighting poles and standards, handicapped access ramps, construction of tree wells and planting of trees. The Developer shall obtain any and all necessary approvals prior to the commencement of applicable portions of said construction, and such parties shall take reasonable precautions as the Developer sees fit to ensure the safety and stability of surrounding properties during said construction.

Section 3.06 Operating Memoranda. The parties acknowledge that the provisions of this Development Agreement require a close degree of cooperation between and amongst the parties, and the refinements and future events may demonstrate that non-material changes are appropriate with respect to the detail of performance of the parties under this Development Agreement. The parties desire, therefore, to retain a certain degree of flexibility with respect to the details of performance of the parties under this Development Agreement. If and when, from time to time during the Term hereof, the parties find that such changes or adjustments are necessary or appropriate, they shall effectuate such changes or adjustments through operating memoranda reasonably approved by the parties which, after execution, shall be attached hereto as addenda and become a part of this Development Agreement, and may be further changed and amended from time to time as necessary, with further approval by the parties.

Section 3.07 Other Governmental Permits. Developer shall apply from time to time for other Permits and Approvals as may be required by any other Governmental Agency having jurisdiction over the Project in connection with the development of, or provision of services to, the Project. Seller shall fully cooperate with Developer in its efforts to expedite obtaining such Permits and Approvals in an efficient and timely manner, and provide any documents or certificates reasonably required to process and obtain such Permits and Approvals. This provision shall not be interpreted to require that the City issue or grant any Permits and Approvals if the applications therefor fail to satisfy legal requirements for the issuance or granting of the same.

Section 3.08 Cooperation in the Event of Legal Challenge. If any legal or equitable action or other proceeding is brought by any individual, business entity, governmental entity or official challenging the validity of any provision of this Development Agreement, the parties to this Development Agreement shall cooperate in defending such action or proceeding, including, a good faith attempt to select a mutually agreeable legal representative. Developer and Seller shall each pay one-half the cost of a joint defense. If the parties cannot agree on a joint defense or upon the same legal counsel, then each party shall bear its own costs of such defense.

Section 3.09 Initial Term. The term of this Development Agreement (the “Term”) shall be equal to that period of time which commences upon the Effective Date and concludes at such time the Developer has satisfied all of its obligations under this Development Agreement, subject to extension and earlier termination as set forth herein. In the event of an administrative appeal or judicial proceeding related to this Development Agreement, the Term and any associated milestone requirement shall automatically be tolled from the date of filing through the date the ruling on the matter becomes final and unappealable.

Section 3.10 Termination and Default. Should a party be in material default under the terms of this Development Agreement, the other party shall provide the party in default with written notice of default and the defaulting party shall have ninety (90) days from the date of such notice (“Cure Period”) to substantially cure the default. In the event of the defaulting party’s failure to substantially cure the default within the Cure Period, then the other party shall have all rights in law and equity, including, but not

limited to, the right of specific performance. For the purposes of this Section, failure on the part of the parties to reach a consensus on an issue not defined by or specifically required in this Development Agreement or covered by the Development Plan, including, but not limited to, specific design, development, or technical issues, shall not constitute a material default.

In the event Seller terminates this Development Agreement upon Developer's failure to cure a material default within the Cure Period: (a) Seller shall have no further obligations to Developer pursuant to this Development Agreement; (b) title to any portion of the Property not then subject to a use and occupancy permit shall immediately and without the necessity of any further action revert to and revest in either the CEDC or the City (depending upon which of them held title to the individual parcels thereof as of the Effective Date of this Development Agreement), free and clear of all claims by the Developer; and (c) Developer shall lose and forfeit all of its rights, title and interest in and to the applicable Property and to the improvements, fixtures, rights, roads, ways, waters, privileges and appurtenances thereunto belonging or in anywise appertaining. In furtherance of the title reverter provisions set forth in the preceding sentence, (1) the Developer, through its members, hereby appoints Jeffrey D. Rhodes, City Administrator of the City of Cumberland, and his successor City Administrators, its true and lawful attorney in fact, with full power of substitution, hereby granting them full power and authority for it and in its stead to execute and deliver a deed or deeds to the applicable portions of the Property to the CEDC and/or the City in the event the Developer fails to cure any defaults in the manner aforesaid and to do any and all acts required in order to

effect the said conveyance(s); and (2) alternatively, the Developer hereby authorizes and empowers Jeffrey D. Rhodes, City Administrator of the City of Cumberland, and his successor City Administrators, as its authorized signatories, to execute and deliver a deed or deeds to the applicable portions of the Property to the CEDC and/or the City in the event the Developer fails to cure any defaults in the manner aforesaid and to do any and all acts required in order to effect the said conveyance.

Section 3.11 Developer Covenants. Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation, ancestry, national origin, gender identity or disability in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Development Parcels or this Project, nor shall Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number use or occupancy of tenants, leases, subtenants, sublessees, or vendees of the Development Parcels.

Section 3.12. Seller Post Closing Requirements.

A. Other than financially, CEDC agrees to support the Buyer's efforts to develop the Property in accordance with this Development Agreement and the Development Plan, and to support the Buyer's efforts consistent therewith to close streets, alleys and rights of way that bifurcate or that are adjacent to some of the Property (the "Roads"). The provisions of this subsection shall survive closing.

B. The City agrees to provide the Buyer with access to public utilities under its control, as required by law; and

C. CEDC agrees to provide Buyer with access to and use of all rights of way, easements or other property interests it owns or possesses adjacent to or within the Project Area. The City agrees to provide Buyer with the access to and use of all rights of way, easements or other property interests it owns or possesses adjacent to or within the Project Area it provides to others.

Section 3.13 Transfers of Development Parcels. After first obtaining the written consent of the Seller, which may be withheld, delayed, or conditioned by the Seller, in its sole discretion, for any reason or no reason at all, Developer shall have the right to assign or transfer all or any portion of its interests, rights or obligations under this Development Agreement or in the Development Parcels to a third party who acquires an interest or estate in the Development Parcels or any portion thereof. If all or any of the portion of the Development Parcels is transferred by Developer to any person or entity, the transferee shall, to the extent relinquished by Developer, succeed to all of Developer's rights under this Development Agreement as they affect the right to proceed with development of that portion of the Development Parcels transferred to the transferee (the "Transferred Development Parcels"), and, to the extent assigned by Developer, the transferee shall assume all obligations of Developer hereunder which relate to the Transferred Development Parcels. A transfer made in compliance with this Section of all or any part of the Development Parcels to any other person or entity shall release

Developer from its obligations hereunder, which relate to the Transferred Development Parcels.

Section 3.14 Real Estate Taxes. The City entered this Development Agreement for the purpose of, among other things, increasing the amount of real estate taxes collected by the City with respect to the Property and Project Area. Consistent with the foregoing, and in consideration of the mutual covenants and conditions contained in this Development Agreement, neither the Developer nor any successor-in-interest to the Developer with respect to this Development Agreement and the Property shall apply for, accept or utilize any incentive, credit, abatement, offset, rebate, refund or other program that would result in the reduction or elimination of (a) the full assessed value of the Property, any other real estate in the Project Area, and any improvements within the Project area; and (b) real estate taxes due and payable to the City based upon the full assessed value of the Property, any other real estate in the Project Area, and any improvements within the Project area. Nothing contained in this section shall be interpreted or construed to prohibit the Developer from taking full advantage of any program that would result in a reduction or elimination of the Developer's or its successor-in-interest's real estate taxes that are due and payable to any entity other than the City with regard to the Property and any other real estate in the Project Area.

#### Article IV

##### Representations and Warranties

Section 4.01 Representations and Warranties of Seller. In order to induce Buyer to enter into this Development Agreement and consummate the transactions contemplated

hereby (the “Transactions”), Seller hereby represents and warrants to Buyer, as of the date hereof, as follows:

A. This Development Agreement and each of the other documents to be delivered hereunder (the “Transaction Documents”) to which Seller is a party constitutes, or will constitute, when executed and delivered, a valid and binding agreement of Seller enforceable against Seller in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other Laws relating to or affecting the enforcement of creditors rights and remedies generally and the availability of specific performance or other equitable remedies. Seller is not required to obtain any approvals under its organizational documents or any consent from any third party in connection with the execution and delivery of this Development Agreement or the consummation of the Transactions.

B. EXCEPT AS EXPRESSLY SET FORTH IN THE FOREGOING PROVISIONS OF THIS SECTION 4.01 OR IN THE TRANSACTION DOCUMENTS, ALL ASSETS CONVEYED PURSUANT TO THIS DEVELOPMENT AGREEMENT WILL BE CONVEYED ON AN “AS IS,” “WHERE IS,” “WITH ALL FAULTS” BASIS AND WITHOUT ANY ADDITIONAL REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OPERABILITY, CAPACITY OR CONDITION.

Section 4.02 Representations and Warranties of Buyer. In order to induce Seller to enter into this Development Agreement and consummate the Transactions, Buyer represents and warrants to Seller, as follows:

A. This Development Agreement and each of the Transaction Documents to which Buyer is a party constitutes, or will constitute, when executed and delivered, a valid and binding agreement of Buyer enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium, and other Laws relating to or affecting the enforcement of creditors rights and remedies generally and the availability of specific performance or other equitable remedies. Buyer is not required to obtain any approvals under its organizational documents or any consent from any third party in connection with the execution and delivery of this Development Agreement or the consummation of the Transactions that could be reasonably expected to be material to the consummation of the Transactions.

## Article V

### Miscellaneous Provisions

Section 5.01 Severability. If any provision of this Development Agreement to a particular situation is held by a court of competent jurisdiction to be invalid or unenforceable then, to the extent that the invalidity or unenforceability does not impair the application of this Development Agreement as intended by the parties, the remaining provisions of this Development Agreement, or the application of this Development Agreement to other situations, shall continue in full force and effect.

Section 5.02 Permits and Approval Independent. All Permits and Approvals, and all land use entitlements or approvals generally which may be issued or granted by the City with respect to the Development Parcels, constitute independent actions and approvals by the City. If any provision of this Development Agreement or the application of any provision of this Development Agreement to a particular situation is held by a court of competent jurisdiction to be invalid or unenforceable, or if the Seller terminates this Development Agreement for any reason, then such invalidity, unenforceability or termination of this Development Agreement or any part hereof shall not affect the validity or effectiveness of any Permits and Approvals or other land use approvals. In such cases, such approvals will remain in effect pursuant to their own terms, provisions, and conditions of approval.

Section 5.03 Further Actions. Each party shall execute and deliver to the other all such other further instruments and documents as may be reasonably necessary to carry out this Development Agreement in order to provide and secure to the other party the full and complete enjoyment of its rights and privileges hereunder.

Section 5.04 Construction. This Development Agreement has been reviewed and revised by legal counsel for both Developer and the Seller, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Development Agreement.

Section 5.05 Notices. Any notice under this Development Agreement must be in writing and be personally delivered, delivered by recognized overnight courier service or given by mail, facsimile or email, return receipt requested. Any notice given by mail

must be sent, postage prepaid, by certified or registered mail, return receipt requested.

All notices must be addressed to the parties at the following addresses or at such other addresses as the parties may from time to time direct in writing.

If to Seller: Cumberland Economic Development Corporation  
c/o Paul J. Kelly, Jr.  
Executive Director  
60 Pershing Street  
Cumberland, Maryland 21502  
Email: paulkelly@choossecumberland.org

With a copy to: Gorman E. Getty, III, Esquire  
Gorman E. Getty, III, P.A.  
23 Washington Street  
Post Office Box 1485  
Cumberland, Maryland 21501-1485  
Email: ggetty@ggettylaw.com

If to Buyer: Cumberland Gateway Real Estate, LLC  
c/o Kline Scott Visco  
Attn: Edward D. Scott  
117 West Patrick Street, Suite 200  
Frederick, Maryland 21701  
Email: eds1957@icloud.com

With a copy to: Manekin Corporation  
Attn: Richard Alter  
5850 Waterloo Rd.  
Columbia, Maryland 21045  
Email: ralter@manekin.com

If to the City: Mayor & City Council of Cumberland  
c/o Brian K. Grim, Mayor  
57 North Liberty Street  
Cumberland, Maryland 21502  
Email: [briangrim@verizon.net](mailto:briangrim@verizon.net)

With a copy to: Michael Scott Cohen, Esquire  
City Solicitor  
213 Washington Street  
Cumberland, Maryland 21502

Email: michaelcohen@atlanticbbn.net

Any notice will be deemed to have been given, if personally delivered, when delivered, and if delivered by courier service, one (1) Business Day after deposit with the courier service, and if mailed, two (2) Business Days after deposit at any post office in the United States of America, and if delivered via facsimile or email, the same day as verified, provided that any verification that occurs after 7:00 p.m. (Eastern Time) on the following Business Day.

Section 5.06 Partnership or Joint Venture. Nothing in this Development Agreement shall be construed to render the Seller in any way or for any purposes a partner, joint venture or associate in any relationship with Developer nor shall this Development Agreement be construed to authorize either to act as the agent for the other.

Section 5.07. Estoppel Certificate. Within five (5) days following any written request which either party may make from time to time, the other party to this Development Agreement shall execute and deliver to the requesting party a statement certifying that: (1) this Development Agreement is unmodified and in full force and effect; (2) there are no current uncured defaults under this Development Agreement or specifying the dates and nature of any such default; and (c) any other reasonable information requested.

Section 5.08 No Third Party Beneficiary. This Development Agreement is made and entered into for the sole protection and benefit of the parties hereto. No other party shall have any right of action based upon any provision of this Development Agreement.

Section 5.09 Governing Law. This Development Agreement shall be governed and construed in accordance with the Laws of the State of Maryland, and venue and jurisdiction of any action arising out of or relating to this Development Agreement shall lie in Allegany County, Maryland.

Section 5.10 Entire Agreement. This Development Agreement and the Exhibits hereto constitute the entire agreement between the parties with respect to the purchase and sale of the Development Parcels, and supersedes all prior agreements and understandings between the parties relating to the subject matter of this Development Agreement.

Section 5.11 Dispute Costs. In the event any dispute between the parties with respect to this Development Agreement results in litigation or other proceedings, the prevailing party shall be reimbursed by the party not prevailing in such proceeding for all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees, experts' fees, and costs incurred by the prevailing party in connection with such litigation or other proceeding and any appeal thereof. Such costs, expenses, and fees shall be included in and made a part of the judgment recovered by the prevailing party, if any.

Section 5.12 Waiver. Neither the Seller's nor Developer's waiver of the breach of any covenant under this Development Agreement will be construed as a waiver of the breach of any other covenants or as a waiver of a subsequent breach of the same covenant.

Section 5.13 Non-Merger. The terms, conditions, and provisions of this Development Agreement shall not be deemed merged into any deed, and shall survive closing and continue in full force and effect.

Section 5.14 Business Day. A “Business Day” is a day which is not a Saturday, Sunday, or legal holiday recognized by the Government of the United States of America. Furthermore, if any date upon which or by which action is required under this Development Agreement is a Saturday, Sunday, or legal holiday recognized by the Government of the United States of America, then the date for such action shall be extended to the first day that is after such date and is not a Saturday Sunday, or legal holiday recognized by the Government of the United States of America. In addition to the foregoing, if the date designated as the Closing Date is a Saturday, Sunday, or legal holiday recognized by the State or other jurisdiction in which the closing is to occur or in which the real property is located, then the Closing Date shall be the first day that is after such date and is not a Saturday, Sunday or legal holiday recognized by the Government of the United States or such State or jurisdiction. Unless the term “Business Day” is used, all references in this Development Agreement to days or other time periods shall mean calendar days or periods.

Section 5.15 Plurality and Gender. Wherever in this Development Agreement the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa, as the context shall require.

Section 5.16 Counterparts and Exhibits. This Development Agreement is executed in counterparts, each of which is deemed to be an original.

Section 5.17 Permitted Delays/Force Majeure. In addition to any other specific provisions of this Development Agreement, performance by either party of its obligations hereunder shall be excused during any period of delay caused at any time by reason of acts of God or civil commotion, riots, strikes, war, terrorism, picketing, or other labor disputes, shortage of materials or supplies, unanticipated conditions in the economy, damage to work in progress by reason of fire, floods, earthquake or other casualties, restrictions imposed or mandated by governmental or quasi-governmental entities, enactment of conflicting Laws (including, without limitation, new or supplementary environmental regulations), any governmental actions or failure to act litigation, acts or neglect of the other party, or any other cause beyond the reasonable control of a party. Each party shall promptly notify the other party of any delay hereunder as soon as possible after the same has been ascertained.

Section 5.18 Recordation. It is the parties' intention to record this Development Agreement among the Land Records of Allegany County, Maryland. The costs of recordation, if any, shall be borne by the Developer.

WITNESS the hands and seals of the parties hereto the day and year first above written.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

ATTEST:

CUMBERLAND ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
Secretary

By \_\_\_\_\_ (SEAL)  
Paul J. Kelly, Jr., Executive Director &  
President

STATE OF MARYLAND,  
ALLEGANY COUNTY, TO WIT:

I HEREBY CERTIFY, that on this \_\_\_\_ day of \_\_\_\_\_, 2018, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Paul J. Kelly, Jr., known to me or satisfactorily identified to be the person whose name is subscribed to the within instrument, the Executive Director and President of Cumberland Economic Development Corporation, a Maryland corporation, and acknowledged the foregoing to be the act and deed of the said corporation; and at the same time made oath he is duly authorized by it to make this acknowledgment.

WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

ATTEST:

MAYOR AND CITY COUNCIL OF  
CUMBERLAND, MARYLAND

\_\_\_\_\_  
Clerk

By \_\_\_\_\_ (SEAL)  
Brian K. Grim, Mayor

STATE OF MARYLAND,  
ALLEGANY COUNTY, TO WIT:

I HEREBY CERTIFY, that on this \_\_\_\_ day of \_\_\_\_\_, 2018, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Brian K. Grim, known to me or satisfactorily identified to be the person whose name is subscribed to the within instrument, the Mayor of Mayor and City Council of Cumberland, a municipal corporation of the State of Maryland, and acknowledged the foregoing to be the act and deed of the said Mayor and City Council of Cumberland; and at the same time made oath he is duly authorized by it to make this acknowledgment.

WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

ATTEST:

CUMBERLAND GATEWAY REAL  
ESTATE, LLC

\_\_\_\_\_ By \_\_\_\_\_ (SEAL)  
Managing Member

\_\_\_\_\_  
First Witness signature

\_\_\_\_\_  
First Witness printed name

\_\_\_\_\_  
First Witness address

\_\_\_\_\_  
Second Witness signature

\_\_\_\_\_  
Second Witness printed name

\_\_\_\_\_  
Second Witness address

STATE OF MARYLAND,  
FREDERICK COUNTY, TO WIT:

I HEREBY CERTIFY, that on this \_\_\_\_ day of \_\_\_\_\_, 2018, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared \_\_\_\_\_, known to me or satisfactorily identified to be the person whose name is subscribed to the within instrument, the Managing Member of Cumberland Gateway Real Estate, LLC, a Maryland limited liability company, and acknowledged the foregoing to be the act and deed of the said limited liability company; and at the same time made oath he is duly authorized by it to make this acknowledgment.

WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

AGREEMENT OF SALE

THIS AGREEMENT OF SALE ("Agreement"), made this 24 day of March, 2017, (the "Effective Date") by and between The Cumberland Economic Development Corporation ("Seller"), whose address is 60 Pershing Street, Cumberland, MD 21502 and Cumberland Gateway Real Estate LLC and/or assigns ("Purchaser" or "Buyer"), whose address is c/o Kline Scott Visco, 117 West Patrick Street, Suite 200, Frederick, MD 21701. A deposit of One Thousand Dollars (\$1,000.00) ("Deposit") has been received from Purchaser in the form of a check and to be placed in escrow with Robinson & Robinson, Attorney ("Escrow Agent") upon ratification and is to be applied as part payment of the purchase price for the properties together with any improvements thereon as described and defined in EXHIBIT A (the "Property") and EXHIBIT B (the "Additional Property"), ATTACHED hereto, located in Cumberland, Maryland, together with all streets, rights-of-way, and easements contiguous to the Property and the Additional Property, for the purchase price of One Thousand (\$1,000.00) Dollars, cash to be paid on the date of settlement as defined herein together with other good and valuable consideration.

1            SETTLEMENT AND PURCHASER PERFORMANCE ESCROW: The Seller agrees to deed the Property and the Additional Property to the Purchaser and Purchaser agrees to pay Seller the Purchase Price as provided herein on or before August 30, 2017 (the "Settlement" or "Settlement Date") which may be extended by written agreement of the parties.

Buyer shall also deliver at Settlement an Indemnity Deed of Trust to be secured by the Property and Additional Property and/or other security reasonably required by counsel for Seller.

and in a form reasonably required by the counsel for Seller, in the amount of Six Hundred Thousand Dollars (\$600,000.00) (the "Security") insuring performance by the Buyer as follows:

A. That at least thirty-five percent (35%) of the Property and Additional Property shall be fully developed for commercial purposes within two (2) years of the Settlement Date ("Phase One"). Upon the issuance of a Use and Occupancy Permit to the Buyer for Phase One, Seller shall reduce the Security to \$400,000.00.

B. That at least thirty percent (30%) more of the Property and Additional Property shall be fully developed for commercial purposes within four (4) years of the Settlement Date ("Phase Two"). Upon the issuance of a Use and Occupancy Permit to the Buyer for Phase Two, Seller shall reduce the security to \$200,000.00.

C. That the remaining thirty-five percent (35%) of the Property and Additional Property shall be fully developed for commercial purposes within six (6) years of the Settlement Date ("Phase Three" or the "Final Phase"). Upon the issuance of a Use and Occupancy Permit to the Buyer for Phase Three or the Final Phase, Seller shall release the Security.

D. Prior to the Settlement Date, the Seller shall demolish all structures remaining on the Property and the Additional Property and grade all lots with compatible fill at least thirty-six inches (36") below finish grade to a similar elevation as of the date of this Agreement.

E. The deadline for the completion of Phase One, Phase Two or the Final Phase as indicated above may be extended by the Seller for a period not to exceed two (2) years in the event any governmental agency refuses to grant the necessary approvals and permits necessary for the Buyer to commence work provided, however, that the Buyer has made diligent and commercially reasonable efforts to secure all such approvals and permits.

F. The deadline for the completion of Phase One, Phase Two or the Final Phase may be extended by Seller for a period not to exceed one (1) year in the event litigation is filed by any

third party to prevent the development of the Property and/or Additional Property as provided herein.

2. TITLE CONVEYANCE: The Seller agrees to provide a deed for the Property containing covenants of special warranty and further assurance which shall be executed at the expense of the Seller, and which shall convey the Property to the Purchaser subject to reservations, restrictions and requirements of record and as provided herein. Title to be good and merchantable, free of liens and encumbrances, subject to Section 3 of this Agreement. There shall be no leases in effect on any of the Property at Settlement.

3 TITLE DEFECT: Purchaser shall cause an examination of the Title to the Property and the Additional Property within the first fifteen (15) days after the last date on which this Agreement has been executed by Seller and Purchaser (the "Ratification Date") and notify Seller of any defects(s) in the title within said fifteen (15) days. Seller agrees to remove the lien of any deed of trust or mortgages encumbering the Property and Additional Property at Settlement. In the event Purchaser does not notify Seller within said period, then the title shall be deemed acceptable to Purchaser. In the event Purchaser does notify Seller of a defect(s) in accordance with the provisions of this Agreement, Seller shall be entitled to either remove the defect(s) in title or choose not to remove defect(s) by giving notice to Purchaser of Seller's intention not to remove any defects in Title. If the notification is given to Purchaser that Seller intends not to remove defects then Purchaser shall have the right within five (5) days after notice is received from Seller, to either rescind this Agreement, in which case all Deposits made on account of the purchase price shall be refunded to Purchaser and this Agreement shall become null and void or settle on part of the Property that has no title defects and adjourn Settlement on the remainder of the Property until

said title defects are removed, or waive any Title defects and remove any contingencies in this Agreement for Settlement regarding said defect(s). Seller shall be held harmless and shall not be liable for damages by reason of any defect in title or in the event Seller chooses not to correct any defect(s). In the event Purchaser does not notify Seller of its intention within five (5) days, then Purchaser's right to rescind shall expire and Settlement shall occur with defect(s) not cured.

4. ADJUSTMENT/PRO-RATION: Rents, all taxes, and all other public charges against the Property shall be pro-rated to the date of Settlement. Sellers shall provide a deed and pay any outstanding real estate taxes. Purchaser shall pay all other costs, such as, but not limited to, title examination, title insurance, financing costs, recording costs, half of recordation taxes/stamps (which shall be calculated based on a \$300,000.00 transfer valuation), and Settlement fees.

5. POSSESSION: Possession shall be given immediately after Settlement. The Seller will deliver possession of the Property subject to Seller's Post Closing Requirements contained in Section 9 of this Agreement and Purchaser's Post Closing Requirements contained in Section 10 of the Agreement.

6. ADDITIONAL PROPERTY CONVEYANCE: In consideration of the sum of Five Dollars (\$5.00) per lot, Seller shall convey to Buyer parcels currently owned by the Mayor & City Council of Cumberland set forth in Exhibit B (the "Additional Property") subject to the same reservations and conditions as the Property conveyed by and owned by Seller. The Additional Property shall be conveyed to Buyer at Settlement of the Property or within five (5) business days after conveyance of the Additional Property by Mayor & Council of Cumberland to Seller.

whichever shall be the later to occur. Seller shall act diligently to cause the Mayor and City Council of Cumberland to convey the Additional Property to Seller. If the Mayor and City Council of Cumberland refuses to do so, Purchaser may declare this Agreement null and void whereupon the Deposit shall be returned to Purchaser and neither Seller nor Purchaser shall have any further obligation to the other under this Agreement.

7. RESTRICTIONS: All Property shall be made subject to the reservations and restrictions on Exhibit C, which said reservations and restrictions shall be binding on the Buyer, its successors and assigns, and shall be deemed to run with the land in perpetuity except as provided in Section Two of Exhibit C.

8. SELLER DOCUMENTS: Within five (5) days of Seller's execution of this Agreement of Sale, Seller shall provide, if in Seller's possession, the following:

- A. Existing prior owner's title insurance policy reflecting Seller as named insured.
- B. Any recent certified survey of the Property reflecting all easements, restrictions, right-of-ways and reservations of record.
- C. Any and all environmental information in its possession related to the Property.

9. SELLER POST CLOSING REQUIREMENTS:

A. Seller shall support the Purchaser's efforts to develop the parcels into a unified retail project consisting of either individual re-platted lots or a land condominium consisting of multiple areas in a design similar to the attached conceptual site design attached as Exhibit D that shall allow construction of various retail uses that shall include but not be limited to free standing

hotels, restaurants including fast food with drive-thru service and financial institutions, and a strip shopping center allowing for office and retail uses, except as provided in Exhibit C.

B. The Seller shall fully support the efforts of the Buyer to close street or alley touching the Property, the Additional Property or the Purchased Property and to obtain from the Mayor & City Council of Cumberland a quit claim deed at no consideration thereof. Provisions A & B of this subsection shall survive Settlement.

1. The Seller shall provide any utility facilities under its control such as sewer, water and storm water to the Property and grant any easements over its adjacent property, if any, free of charge to other utility providers such as electric, gas, telephone, cable, internet and solar to allow for development of the project by the Purchaser.

2. Seller shall provide all right of ways it has adjacent to all adjacent streets and alleys that will not be deeded to the Purchaser in the event any widening of the streets or curbs, gutters, sidewalks or green space(s) are required to be provided to any governmental agencies in order to receive development and use and occupancy approvals for the intended retail uses defined herein

10. PURCHASER POST CLOSING REQUIREMENTS:

A. Purchaser shall use commercially reasonable efforts to acquire at current market values properties remaining in the Development Area not conveyed by Seller. Any lots so acquired shall be known as Purchased Property ("Purchased Property").

B. Purchaser shall pursue development of the Property, the Additional Property and the Purchased Property ("All Property") as follows:

1. Within six (6) months of the Settlement Date, Purchaser shall present for filing with the City of Cumberland a site plan in accordance with City Ordinance requirements for Phase One.

2. Within twelve (12) months the Settlement Date, Purchaser shall present for filing with the City of Cumberland all engineering and building plans in accordance with City Ordinance requirements for Phase One.

3. Within eighteen (18) months of the Settlement Date, Purchaser shall have all building and development permits required by the City of Cumberland in hand and shall have broken ground and initiated construction for Phase One.

4. Within twenty-four (24) months of the Settlement Date, Phase One shall be fully completed and developed for commercial purposes as provided in Section 1-A of this Agreement

C. Purchaser shall agree to place deed restrictions on All Property associated with this Agreement which will expire as described in Exhibit C. Deed restrictions on the specific use of All Property are listed on Exhibit C.

11. HAZARDOUS WASTE: To Seller's actual knowledge, the Property has not been used for hazardous waste disposal, and the Seller has not conducted or authorized the generation, transportation, storage, treatment or disposal on the Property in any buildings, containers, on the surface or underground, of any solid, liquid, semi-solid or gaseous materials that would constitute "hazardous wastes" as defined in the Resource Conservation and Recovery Act of 1976 (as amended), 42 U.S.C. paragraph 6901 et seq., or under any applicable federal, state or local law or regulation.

12. DISCLOSURE: Edward D. Scott is a member of the Purchaser entity and is a licensed Real Estate agent in the State of Maryland.

13. All notices between the parties or between a party and the Title Insurance Company, whether hereunder or otherwise required by law, shall be in writing and be deemed duly served and given when personally delivered to the party, or, in lieu of personal service, when deposited in the United States mail, or when sent by a nationally recognized overnight delivery service or when sent by facsimile transmission or e-mail with proof of delivery, addressed if to Seller at:

Name: Cumberland Economic Development Corporation

Address: 60 Pershing Street

Cumberland, MD 21502

Attn: Shawn P. Hershberger or designee

Phone: (301) 722-4156

Fax: (301) 759-6432

E-Mail: [shawn.hershberger@choosecumberland.org](mailto:shawn.hershberger@choosecumberland.org)

and if to Buyer at:

Name: Cumberland Gateway Real Estate LLC

Address: c/o Kline Scott Visco

117 West Patrick Street, Suite 200

Frederick, MD 21701

Attention: Edward D. Scott & Chad P. Scott

Phone: 301-694-8444

Fax: 301-694-6592

E-Mail: [eds@klfinescottvisco.com](mailto:eds@klfinescottvisco.com) & [chad.terraeo@gmail.com](mailto:chad.terraeo@gmail.com)

With a copy to

Name: Mid-Atlantic Retail Partners LLC

Address: c/o Manekin Corporation

8601 Robert Fulton Drive

Columbia, MD

Attention: Samuel Neuberger, Esq. & Richard Alter

Phone: (410) 290-1449

Fax: 410-312-4385

Email: [sneuberger@manekin.com](mailto:sneuberger@manekin.com) & [ralter@manekin.com](mailto:ralter@manekin.com)

Either party may change its address for the purposes of this paragraph by giving the other party written notice of the change in the manner provided above.

14. AGREEMENT OF PRINCIPALS: The parties to this Agreement mutually agree that it shall be binding upon them, their heirs, personal representatives, successors and assigns, that this Agreement contains the final and entire agreement between the parties hereto, and neither they nor their Broker(s) shall be bound by any terms, conditions, statements, warranties or representations, oral or written not herein contained.

15. COUNTERPARTS: This Agreement may be signed in two or more counterparts and may be delivered via email or facsimile by either party, in which case each of which shall be considered an original.

THIS AGREEMENT HAS BEEN EXECUTED IN THREE COPIES.

DATE OF ACCEPTANCE 3/24/17 TIME 3:33

WITNESS

CUMBERLAND ECONOMIC  
DEVELOPMENT CORPORATION

SELLER

[Signature]  
3/24/2017 Date

By: [Signature]  
3/24/17 Date

WITNESS:

CUMBERLAND GATEWAY REAL  
ESTATE, LLC

PURCHASER:

[Signature]  
Date

By: [Signature]  
3/24/17 Date

EXHIBIT A  
( "PROPERLY" )

Lots to be conveyed by CEDC (see plat attached):

211 Emily Street	22-013327
213 Emily Street	22-013335
219 Emily Street	22-006010
227 Emily Street	22-014447
207 Cecelia Street	22-011715
210 Cecelia Street	22-002457
211 Cecelia Street	22-008021
212 Cecelia Street	22-008455
214 Cecelia Street	22-008706
215 Cecelia Street	22-009141
218 Cecelia Street	22-007874
219 Cecelia Street	22-013696
220 Cecelia Street	22-015400
223 Cecelia Street	22-006711
225 Cecelia Street	22-006711
227 Cecelia Street	22-010069
228 Cecelia Street	22-005936
232 Cecelia Street	22-003887
234 Cecelia Street	22-011647
408 Park Street	22-006746
412 Park Street	22-013246
416 Park Street	22-013254
500 Park Street	22-005405
502 Park Street	22-007769
504 Park Street	22-012797
218 Williams Street	22-015354
226 Williams Street	22-008676
248 Williams Street	22-010255

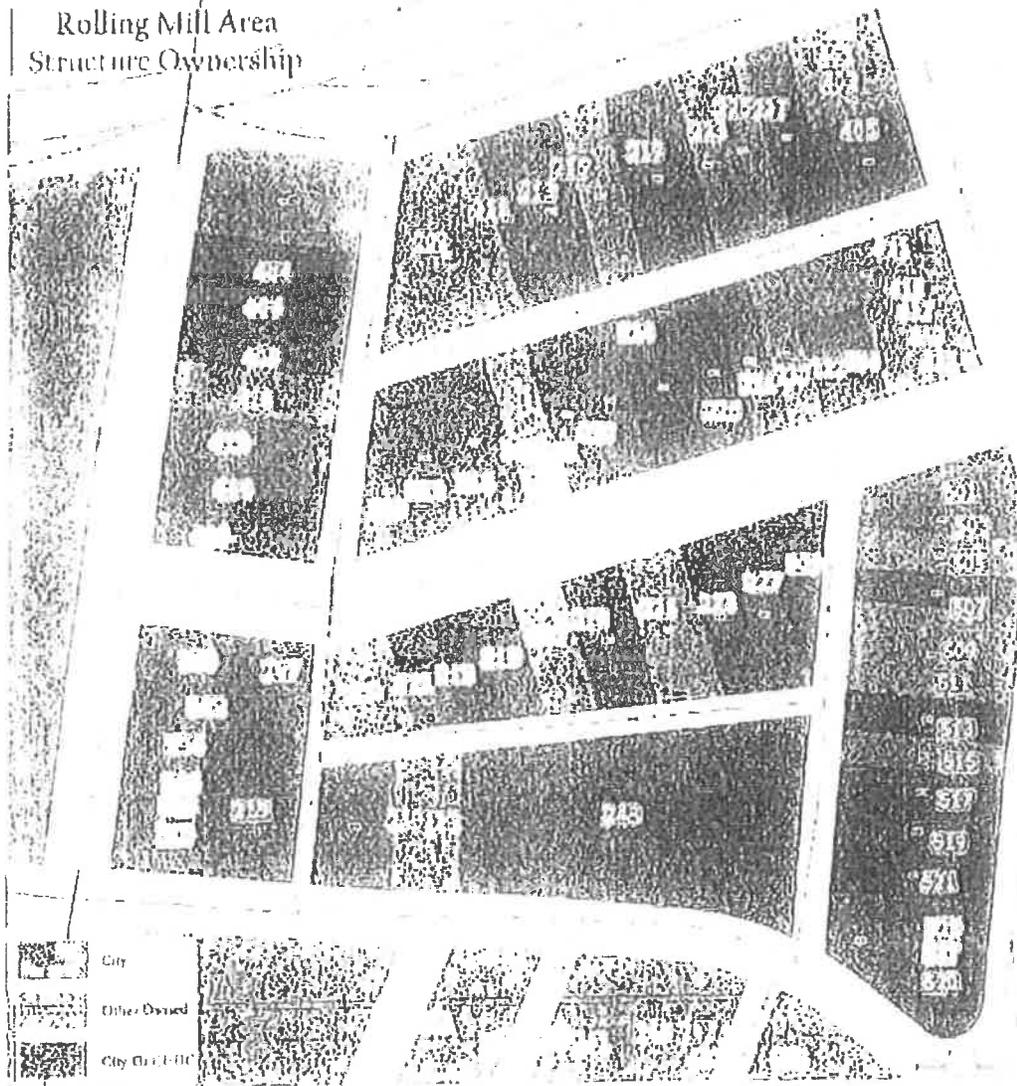
251 Williams Street	22-014812
255 Williams Street	22-031482
405 Maryland Avenue	22-013017
501 Maryland Avenue	22-006339
503 Maryland Avenue	22-013793
507 Maryland Avenue	22-012525
517 Maryland Avenue	22-003453
519 Maryland Avenue	22-003461

EXHIBIT B  
("ADDITIONAL PROPERTY")

Lots owned by the Mayor & City Council of Cumberland (see plat attached):

Lot 404 Park Street	22-011022
Lot 406 Park Street	22-012290
Lot 414 Park Street	22-009923
Lots 257-259 Williams Street	22-022009
Lot 513 Maryland Avenue	22-015516
Lot 521 Maryland Avenue	22-014730
Lot 523 Maryland Avenue	22-014730
529 Maryland Avenue	22-010735
224 Cecelia Street	22-015346
226 Cecelia Street	22-015338
229 Cecelia Street	22-003976

# Rolling Mill Area Structure Ownership



**EXHIBIT C  
RESTRICTIONS AND RESERVATIONS**

I. **The Property, Additional Property.** All Property and Purchased Property shall be subject by inclusion in the Deed of Conveyance or some other effective document to the following restrictions or limitations on the use of the Property or any part thereof.

1. No adult book stores, adult toy stores or similar type stores.
2. No bail bond operations or check cashing operations or similar type operations.
3. No tattoo or piercing operations except for ear piercing related to the operations of a jewelry store.
4. No suntan salons or similar type operations except for when it is ancillary use for a hair salon or spa.
5. No pain management clinics or similar type operations except for when it is Ancillary use for a medical practice, chiropractor or a physical therapist.
6. No methadone or similar purpose substance clinics or similar type operations.
7. No Dollar Store or any variation of that name including but not limited to Dollar General.
8. No Residential uses other than Hotel/Motels.

II. **The Property, Additional Property.** All Property and Purchased Property shall be subject by inclusion in the Deed of Conveyance to the following reservations, restrictions and limitations for a period of Ten (10) years from the date of the deed of ~~TRK~~

No fast food operations without written application to Seller and written approval by Seller or its successor or assigns, which said approval shall not be unreasonably denied or delayed. Notwithstanding anything defined herein to the contrary Chipotle, Sub shops, Dunkin Donuts, Starbucks, Souk, IHop, Panbelly's and ~~Ben & Jerry's~~ shall not be defined as a fast food use.

1. No gas stations without written application to Seller and written approval by Seller or its successor or assigns, which said approval shall not be unreasonably denied or delayed.
2. Upon actual receipt and review of a written application from Buyer, Seller shall have forty-eight (48) business hours ("Time Period") to either approve or reject the proposed use in writing or the proposed use shall be deemed approved. In the event Seller doesn't give notice of rejecting Buyer's application within the Time Period then no notice will be deemed an approval.

EXHIBIT 2



**EXHIBIT 3**

	<b>Property Address</b>	<b>Owner</b>	<b>Deed</b>	<b>SDAT</b>
1	405 Maryland Avenue	CEDC	02171/ 00254	013017
2	501 Maryland Avenue	CEDC	02190/ 00508	006339
3	503 Maryland Avenue	CEDC	02196/ 00189	013793
4	507 Maryland Avenue	CEDC	02237/ 00142	012525
5	517 Maryland Avenue	CEDC	02182/ 00333	003453
6	519 Maryland Avenue	CEDC	02202/ 00048	003461
7	527 Maryland Avenue	CEDC	02341/00354	010794
8	218-220 Williams Street	CEDC	02209/ 00147	015354
9	226 Williams Street	CEDC	02209/00147	008676
10	234-248 Williams Street	CEDC	02246/ 00154	010255
11	251 Williams Street	CEDC	02246/00154	014812
12	255 Williams Street	CEDC	02240/ 00518	031482
13	408 Park Street	CEDC	02183/ 00278	006746
14	412 Park Street (Parcel 0232)	CEDC	02173/ 00388	013246
15	416 Park Street	CEDC	02223/ 00186	013254
16	500 Park Street	CEDC	02182/ 00446	005405
17	502 Park Street	CEDC	02190/ 00505	007769
18	504 Park Street	CEDC	02196/ 00193	012797
19	506-510 Park Street	CEDC	02209/ 00151	006878
20	211 Emily Street	CEDC	02188/ 00001	013327
21	213 Emily Street	CEDC	02171/ 00251	013335
22	219/221 Emily Street	CEDC	02202/ 00039	006010
23	227 Emily Street	CEDC	02171/ 00243	014447
24	207 Cecelia Street	CEDC	02199/ 00106	011715
25	210 Cecelia Street	CEDC	02223/ 00175	002457
26	211/213 Cecelia Street	CEDC	02246/ 00154	008021
27	212 Cecelia Street	CEDC	02223/ 00179	008455
28	214 Cecelia Street	CEDC	02182/ 00443	008706
29	215 Cecelia Street	CEDC	02190/ 00500	009141
30	218 Cecelia Street	CEDC	02196/ 00165	007874
31	219 Cecelia Street	CEDC	02183/00070	013696
32	220 Cecelia Street	CEDC	02185/ 00429	015400
33	223/225 Cecelia Street	CEDC	02196/00175	006711
34	227 Cecelia Street	CEDC	02196/ 00168	010069
35	228 Cecelia Street	CEDC	02168/ 00354	005936
36	230 Cecelia Street	CEDC	02294/ 00358	004581
37	232 Cecelia Street	CEDC	02190/ 00497	003887
38	234 Cecelia Street	CEDC	02174/ 00509	011642
39	513 Maryland Avenue	CITY	02162/ 00223	015516
40	521/523 Maryland Avenue	CITY	02158/ 00351	014730
41	529 Maryland Avenue	CITY	02145/00256	010735
42	404 Park Street	CITY	02172/ 00515	011022
43	406 Park Street	CITY	02137/ 00138	012290
44	414 Park Street	CITY	02178/ 00369	009923

45	224 Cecelia Street	CITY	02145/ 00261	015346
46	226 Cecelia Street	CITY	02145/ 00261	015338
47	229 Cecelia Street	CITY	02214/ 00416	003976
48	257-259 Williams	CITY	02168/00011	022009

**EXHIBIT 4**  
**RESTRICTIONS AND RESERVATIONS**

1. In addition to those restrictions that may exist under the terms of any zoning regulation, either now or at any time in the future, the Property shall be subject to the following covenants, restrictions and limitations which shall run with the land in perpetuity:

- A. No residential use of the Property may be made at any time. The Property shall be restricted to commercial use only.
- B. No adult book stores, adult toy stores, or similar type stores.
- C. No bail bond operations or check cashing operations or similar type operations.
- D. No tattoo or piercing operations except for ear piercing related to the operation of a jewelry store.
- E. No suntan salons or similar type operations.
- F. No pain management clinics or similar type operations.
- G. No methadone or similar purpose substance clinics or similar type operations.
- H. No discount or similar type stores for general uses.

2. The Property shall be subject to the following covenants, restrictions and limitations which shall run with the land for a period of ten (10) years from the date of the deed from Seller:

- A. No "fast food operation." The phrase "fast food operation" shall mean an operation having all of the following characteristics: (i) the operation has a drive-through window; (ii) drive-through and to-go orders constitute a significant portion of the operation's business; (iii) the operation asks for money at the time a food order is placed; (iv) the operation uses disposable dinnerware or drink containers; (v) the operation does not provide servers or waitstaff; and (vi) the operation predominantly sells food for purchase that is mass produced by a standardized method which can be dispensed quickly and inexpensively. The phrase "fast food operation" shall exclude: (i) "fast casual restaurants" which typically emphasize a higher quality of food than fast food operations, with fewer frozen and processed ingredients, and serve as an intermediate concept between fast food

operations and casual dining restaurants; and (ii) “casual dining restaurants” which typically offer table service with servers or waitstaff. The Developer has established contacts with and/or targeted the following businesses for placement in the Project Area: Dunkin Donuts, Starbucks, Sonic, IHOP, Waffle House, Chipotles, Panera Bread, Panda Express, Jersey Mike’s and Five Guys. Placement of the foregoing businesses within the Project Area shall be permitted notwithstanding the prohibitions contained in this paragraph.

B. No gasoline station or convenience store with gasoline station. The Developer has established contacts with and/or targeted the following business for placement within the Project Area: Wawa and Royal Farms. Placement of either a Wawa or a Royal Farms within the Project Area shall be permitted notwithstanding the prohibitions of this paragraph provided, however, that the facility does not exceed 1.50 acres of the Project Area.

3. The Developer may request in writing that the Mayor and City Council permit a use prohibited under Paragraph 2.A. above. The Developer’s request shall not be unreasonably denied or delayed.

4. Notwithstanding any other provision of this Exhibit or the Development Agreement to the contrary, the Mayor and City Council of Cumberland may, in its sole and absolute discretion, waive a covenant, restriction and limitation contained in this Exhibit 4, in whole or part, at any time and from time to time, and for any reason or no reason.



Regular Council Agenda  
October 16, 2018

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**Description**

Ordinance (*2nd reading & 3rd reading*) - authorizing execution of a Development Agreement and Agreement of Sale with Cumberland Economic Development Corporation and Cumberland Gateway Real Estate LLC (CGRE) relative to the MD Ave. Redevelopment Project and the execution of a deed conveying 10 parcels of real estate in the project area to CGRE

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**



Regular Council Agenda  
October 16, 2018

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**Description**

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**ORDINANCE NO. \_\_\_\_\_**

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED "AN ORDINANCE TO ENACT SECTION 13-200 OF THE CODE OF THE CITY OF CUMBERLAND (1991 EDITION) FOR THE PURPOSE OF REGULATING THE SOLICITATION OF MONEY OR DONATIONS FROM OCCUPANTS OF VEHICLES BY STANDING IN ROADWAYS, MEDIAN DIVIDERS, OR INTERSECTIONS."

WHEREAS, section 21-507(f) of the Transportation Article of the Annotated Code of Maryland authorizes the governing body of a county or municipal corporation to enact a permit program to allow specified individuals to solicit money or donations from the occupants of vehicles by standing in a roadway, median divider, or intersection.

WHEREAS, the City receives requests for the authorization of such activities from time to time.

WHEREAS, the enactment of regulations governing such activities would serve the interests of public health, safety and welfare.

NOW, THEREFORE:

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, that section 13-200 of the Code of the City of Cumberland (1991 Edition) be and is hereby enacted, to read as follows:

**Sec. 13-200. - Permits for roadway solicitations.**

- (a) In this section, "qualified organization" means a fire company or bona fide religious, fraternal, civic, war veterans', or charitable organization.
- (b) *Permit required.* A permit shall be required in order to solicit money or

donations from the occupant of a vehicle by standing in a roadway, median divider or intersection. Such permits shall be issued exclusively to qualified organizations.

- (c) *Fee.* There shall be no fee for a permit issued under this section.
- (d) *Persons permitted to solicit.* Only individuals who are at least eighteen (18) years old and representatives of qualified organizations who are at least eighteen (18) years old are allowed to solicit money or donations with a solicitation permit.
- (e) *Permit applications.* Applications for solicitation permits shall be submitted to the city police department on such forms as may be utilized by the city. An applicant shall be required to submit proof that the individual or qualified organization has a plan for safely soliciting money or donations from the proposed location. The exact location where the solicitation will occur must be identified in the application.
- (f) *Permit approval.* The chief of the police department or his designee shall be responsible for approving permits.
- (g) *Permit duration.* A permit shall be effective for no more than five (5) calendar days.
- (h) No more than one (1) permit per qualified organization shall be issued in any calendar year.
- (i) *Penalty.* This section is promulgated in accordance with section 21-507(f) of the Transportation Article of the Maryland Annotated Code. Violations of this section

constitute violations of that state law provision and are subject to the penalties provided under state law.

SECTION 2: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Brian K. Grim, Mayor

ATTEST:

\_\_\_\_\_  
Marjorie A. Woodring, City Clerk



Regular Council Agenda  
October 16, 2018

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**Description**

Ordinance (*1st reading*) - enacting City Code Section 13-200 to regulate the solicitation of money or donations from occupants of vehicles by standing in roadways, median dividers, or intersections

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**- ORDER -**  
*of the*  
**Mayor and City Council of Cumberland**  
MARYLAND

ORDER NO. \_\_\_\_\_

DATE: October 16, 2018

**ORDERED, By the Mayor and City Council of Cumberland, Maryland:**

WHEREAS, the Mayor and City Council of Cumberland is the record owner of certain equipment that has been determined to be of no further value to the City; and

WHEREAS, the Mayor and City Council desire to dispose of said equipment;

**IT IS THEREFORE ORDERED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, THAT** the following equipment is hereby declared to be surplus property and authorized for trade-in.

(1) Rotary Lift, Model No. SP0A9-200

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**Mayor Brian K. Grim**



Regular Council Agenda  
October 16, 2018

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**Description**

Order declaring one (1) Rotary Lift, Model No. SP0A9-200 to be surplus equipment and authorizing its trade-in

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**

**- ORDER -**  
*of the*  
**Mayor and City Council of Cumberland**  
MARYLAND

ORDER NO. \_\_\_\_\_

DATE: October 16, 2018

**ORDERED, By the Mayor and City Council of Cumberland, Maryland**

THAT, the following Community Legacy funded Central Business District Façade Improvement Program project applications be and are hereby approved.

Suite Thirty-one, LLC	29-35 Baltimore Street	\$1,885.96
Jennifer Walsh	206 North Centre Street	\$6,850.00
Total		\$8,735.96

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**Mayor Brian K. Grim**

Community Legacy : 114.199AH.CFP.20100

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**DEPARTMENT OF COMMUNITY DEVELOPMENT**

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**TO:** MAYOR AND CITY COUNCIL  
JEFF RHODES, MARGIE WOODRING

**FROM:** KATHY MCKENNEY

**SUBJECT:** FAÇADE IMPROVEMENT GRANT PROGRAM STAFF RECOMMENDATION

**DATE:** 10/10/18

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Additional applications have been received for the Central Business District Façade Improvement Program, a program funded by the State of Maryland's Community Legacy program. Applicants are required to have property located within the Central Business District, their request could not exceed \$10,000 and they were required to match their request dollar for dollar.

Following receipt of the completed applications, the required compliance and permit reviews have been initiated. Staff is working with applicants on an individual basis so that each project will meet the Secretary of the Interior's Standards and code requirements.

At this time, the following projects are recommended for funding:

1	Suite Thirty-One, LLC	29-35 Baltimore Street	\$1,885.96
2	Jennifer Walsh	206 North Centre Street	\$6,850.00

Total        \$8,735.96        (\$50,000.00 Community Legacy 114.199AH.CFP.20100 – All program funds now obligated)



Regular Council Agenda  
October 16, 2018

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**Description**

Order approving Community Legacy funded Central Business District Facade Improvement applications for 29-35 Baltimore Street (\$1,885.96) and 206 North Centre Street (\$6,850.00)

**Approval, Acceptance / Recommendation**

Budgeted

1st Reading

2nd Reading

3rd Reading

**Value of Award (if applicable)**

**Source of Funding (if applicable)**