

**MAYOR AND CITY COUNCIL
CITY OF SEAT PLEASANT
SPECIAL SESSION
WEDNESDAY, SEPTEMBER 25, 2013
12:00P.M.**

1. OPENING

1.1.1 Call to Order

Council President Porter called the meeting to order at 10:55am.

1.1.2 Roll Call

Present: Mayor Eugene Grant (Absent), Councilmember Johnie L. Higgs, Sr., Councilmember Eugene Kennedy, Councilmember Kelly Porter, Councilmember Gerald R. Raynor, Sr., Councilmember Elenora Simms, Councilmember Aretha Stephenson, Councilmember Reveral Yeargin (Absent).

Staff: Latasha Gatling, City Administrator, Tiffani Darby, Receptionist.

2. MEETING TOPICS

2.1.1 Gaskins Property

- Ms. Gatling stated that the Gaskins property has an outstanding deed of trust for \$80,000. The owner can only prove that she has paid \$40,000 of that deed. There are a few options to choose from by October 1st. If by Monday we cannot provide the 400,000 we will lose 100,000. We are unable to locate the gentlemen to get proof of the deed of trust payment. If we do not locate him, we won't have a clear title.
- Ms. Gatling stated that option 1 would be to hold settlement until a release of the outstanding Deed of Trust can be obtained. Option 2 would be to wait until the Deed of trust terminates in 2016. Option 3, to purchase the property and hold \$80,000 from the deed in escrow. Problem that may rise from this is that at any moment someone can claim to own part of the property and get the down payment back. Option 4, would be to not purchase the property and have the City's down payment returned.

- Ms. Gatling stated the City will have trouble getting title insurance if they purchase the property.
- Councilmember Stephenson stated that she would like to ask them to lower the price so we can purchase the property.
- Ms. Gatling stated that we will still have problems obtaining the deed. She spoke with Kim Bennett the City's attorney who has tried to get in contact with the person who owns part of the property.
- Councilmember Porter asked if the seller could come up with \$40,000 to pay to the person.
- Ms Gatling stated that the seller doesn't have anyone to give the \$40,000 to, because no one can locate the other property owner.
- Councilmember Raynor asked what proof the seller has to show that she paid \$40,000 to the other owner.
- Ms. Gatling stated that the owner has a letter proving that she paid \$40,000 to the other joint-owner.
- Councilmember Porter stated that it's going to be an issue of having a clear title. The City should negotiate with the seller.
- Councilmember Porter inquired if there is another offer on the property
- Councilmember Stephenson stated that even if we negotiate, there is \$100,000 that the City will lose.
- Councilmember Porter stated if you legally put the paperwork together to protect the City, we can still move forward without a clear title.
- Ms. Gatling stated that the letter from Funk Bolton has option 3.
- Ms. Gatling stated that at this point it's up to the Council.
- Councilmember Kennedy asked how much the City has invested.
- Ms. Gatling stated that the City has invested a total of \$3,277, which is the attorney fees and the fee for the title search.
- Councilmember Porter stated that we need to be sure that the seller understands we did not do anything wrong. We can still do a quick deal by finding something else to purchase. Is there something else we can acquire?
- Councilmember Raynor wanted to know if the City could get any financial restitution from the seller.

- Councilmember Simms stated that we have to know when to give in. We don't know the condition of the building or what we will make from the building.
- Councilmember Stephenson stated that she understands what Porter was saying about seeing what we can do with the \$100,000. But the City should not gamble with the City's money. She feels we should walk away.
- Councilmember Higgs stated that we need to be sure that we are doing things in order with a step by step process. He feels that the City should have known that the property did not have a clear title before now.
- Councilmember Higgs stated that we need to have someone with the expertise handling the purchases of the properties that the City would like to acquire.
- Councilmember Higgs stated all the Councilmembers were happy about the purchase of the property along Martin Luther King Highway.
- Councilmember Raynor wanted to know what had taken so long to find out about the issues of the title on the property.
- Ms Gatling stated that she does not know why it took so long for the discovery of the title issue. She informed the Council, as the issues were brought to her attention.
- Ms. Gatling stated that if the Council decides to walk away from the deal, it is in the best interest of the City as the property was not inspected. Secondly we do not have the expertise on being landlords or a definitive plan for the property. More importantly we should plan then buy, not buy then plan.
- Ms. Gatling stated that she will contact Veronica Owens to discuss the grant, as the report is stating that the City had spent the \$100,000.
- Ms. Gatling stated that it is only one house in the corridor and we do not have a tax sale to show on record.
- Councilmember Stephenson stated that the grant money is a loss to the City.
- Councilmember Higgs stated that a Town should not be losing grant money and he feels that the Council was misled regarding this purchase.
- Councilmember Kennedy stated that the plan to purchase this property was not Council, but the request by the Mayor and the City Treasurer.
- Councilmember Simms stated that the Council approved the purchase of the property and the Council did not ask the right questions.

- Councilmember Kennedy stated the purchase was ideal for the City's plan along Martin Luther King Jr., Highway.
- It was motioned by Councilmember Stephenson and seconded by Councilmember Raynor to suspend the purchase of the Gaskins property. The motion carried and was unanimously approved.

2.1.2 Columbus Day

- Ms. Gatling stated that she had researched seven municipalities in Prince George's County regarding the opening of the government on Columbus Day and four are closed and three opened on Columbus Day.
- Ms. Gatling stated that she's asking the Council to consider closing for Columbus Day or the day after Thanksgiving.
- Ms. Gatling stated that Prince George's County Schools are following the federal government and Columbus Day is a federal holiday.
- Councilmember Kennedy stated that when he was Mayor the staff worked Columbus Day and was off the day after Thanksgiving. He feels that the staff should be off the day after Thanksgiving.
- Councilmember Simms stated that the Personnel Manual was recently changed to reflect the holiday schedule.
- Ms. Gatling stated that the changes to the manual did not go through the City Attorney.
- Councilmember Simms inquired on the preference from the employees.
- Councilmember Higgs stated that last year we approved the day after Thanksgiving as paid holiday.
- Councilmember Stephenson stated that we should be following the federal government.
- It was motioned by Councilmember Higgs and seconded by Councilmember Simms to approve the day after Thanksgiving as a paid holiday. The motion carried and was unanimously approved.

3. Legislation

- **3.1.1. Ordinance O-14-08 Amendment of Fiscal Year 2013-2014 Budget for Contractual Services and City Administrator Contingency Fund.** Ordinance O-14-08 was introduced by the City Council on Wednesday, September 25, 2013. The first reading of the Ordinance was held.

- Councilmember Porter stated that his first concern is that he is a bit uncomfortable with the process. He is not sure if we have been advised by the attorney or if they weighed in or not. He was uncomfortable when the motion was made to move forward the budget amendment.
- Councilmember Porter stated that he has some questions on the Gaskins Property and he would like some additional information.
- Councilmember Raynor stated that the cancellation of the purchase of the Gaskin property was approved by the Council.
- Ms Gatling stated that when money is spent it does not have to be approved by the council each time. That is why the Ordinance has everything listed that can be spent. The Council does not have to be approve each time a single item will be purchased, as long as the money is allocated in the budget.
- Councilmember Simms asked if the purchase request requires a bid, does the council need to approve it.
- Councilmember Higgs stated that anything outside of the budget would need approval.
- Councilmember Porter stated that not moving forward with the Gaskins Property bothers him. The title can be produced and the other person could be found.

6. Adjourned- The meeting was adjourned at 11:55a.m.

Submitted by,



Tiffani Darby
Receptionist