

**MAYOR AND CITY COUNCIL
CITY OF SEAT PLEASANT
SPECIAL SESSION
MONDAY, OCTOBER 28, 2013
5:30 P.M.**

1 OPENING

1.1.1 CALL TO ORDER

Council President Yeargin called the meeting to order at 5:36 pm.

1.1.2 ROLL CALL

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

Staff: Tiffani Darby, Receptionist, LaTasha C. Gatling, City Administrator

2. PRESENTATION

2.1.1. None

3. MEETING TOPICS

3.1.1. CITY CENTER PROJECT

- Councilwoman Stephenson asked if the City would be able to recoup any of the money from the groundbreaking ceremony. She stated that her mind is not at ease about the money lost.
- Councilman Porter stated that from what he could understand doing a feasibility study was the key and it was what he was told at the very onset. Doing a feasibility study does not lock us into any contracts.
- Ms. Gatling stated to take note of page 12 section 2.
- Councilman Yeargin read page 12 section 2. (Kratos infrastructure is not required to reimburse the City for any project related cost (including legal fees or reimbursement for the 2012 ground-breaking) until such time as the five definite agreements have been executed and pre-construction funding is obtained by Kratos Infrastructure. We believe that any parties providing pre-construction funding is obtained by Kratos Infrastructure. We believe that

any parties providing pre-construction funding will take into consideration the credit worthiness and financial condition of the City. As discussed with or communicated to the Committee multiple times, we have a concern as to whether a local government with a 3.0 M+ annual budget is truly in a position to legally assume a 5.8M+ annual Base Rent obligation (which does not include the payment of any real or personal property taxes that will be due-those are separately defined as Impositions, and the city is ultimately responsible for the same.)

- Councilman Porter stated the he is still looking into having a feasibility study. With everything that he has read, it looks as if there are not many red flags that stand out. The City needs a finance person to see if this is financially feasible.
- Councilman Porter stated that page 1 should have the most information.
- Councilwoman Simms stated that the Council does not have much knowledge about the P3, we should have put out a bid only and we did not do a feasibility study.
- Councilman Kennedy stated that he read that we do not own most of the property from page 12. I know that from when I was Mayor. Councilman Kennedy also wanted to know if the person that builds the property can take the property away. We should have someone look into that.
- Councilman Yeargin asked the council to look at page 2 bullet 2. (Lease for approximately 27 years assuming a 75% occupancy rate, but there has been no independent confirmation of such supposition. A fundamental consideration is: if there is a true demand for such facilities why has a developer not pursued development of the same at its own cost and risk?).
- Mayor Grant stated that we had a pre-bid conference. This council did vote. We did have a bid process. On ownership, we do own the property. Only property we do not own is the Arrington property and the home behind the police station. There are covenants on two of the properties there. Prince Georges County Public Schools and HUD.
- Mayor Grant stated the other piece which we thought was a part of the Arrington property belongs to the lady. You have been provided the proper documents.
- Councilwoman Stephenson asked if the feasibility study has been done.

- Mayor Grant answered no.
- Councilwoman Stephenson asked if the Council agreed on a project to start.
- Mayor Grant stated that the groundbreaking was to build the momentum; the feasibility study may tell us if it is feasible.
- Councilwoman Simms stated that even though a lot of us were sitting here, we were not educated. The \$6 million a year is what we are worried about. If we cannot make that what will be done.
- Mayor Grant stated that you can't focus on that until we have a feasibility study. I guarantee you a feasibility study will tell you a Senior Center is feasible. The rent will be paid for. Health and Wellness center we know there aren't any in this area. The recreation center, we are currently in negotiations with the NBA to make it an official NBA center. The Community Center, if you remember when we had the Feggans Center we were generating \$100,000 a year from that. That will generate a lot of money itself. If you reduce the City Hall it will be about \$100,000-\$200,000 a year which we can afford. The feasibility study will be able to tell us if we can afford the rents or not. The reserve accounts will be able to tell us if we can afford the rents or not.

4. LEGISLATION

4.1.1. None

5. UNFINISHED BUSINESS

5.1.1. None

6. ANNOUNCEMENTS

6.1.1. Regular Work Session, Monday, November 4, 2013, City Hall-Council Chambers at 6:00p.m.

6.1.2. Public Session, Wednesday, November 13, 2013, City Hall-Council Chambers at 7:00p.m.

6.1.3. Veterans Day Program, Wednesday, November 11, 2013, Seat Pleasant Activity Center from 10:00am-12:00pm

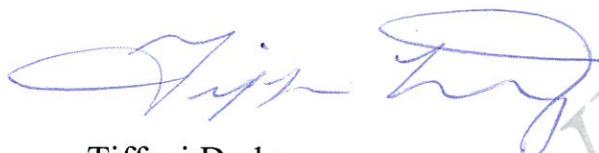
6.1.4. Thanksgiving Giveaway, Residents must enter a lottery this year to receive a gift card or Thanksgiving dinner. Residents must register by November 14, 2013

6.1.5. PGCMA Legislative Dinner/Reception, Tuesday, December 10, 2013, Newton Whitehouse Mansion, 2708 Enterprise Rd., Mitchellville, MD 20721 from 6:30pm-9:30pm

7. **ADJOURN**

The meeting adjourned at 7:00P.M.

Submitted by,



Tiffani Darby,
Receptionist

APPROVED 01/13/14