

**PRESIDENT'S COUNSEL ON PUBLIC/PRIVATE PARTNERSHIPS AND  
THE FUTURE OF CITY HALL, WEYANDT HALL,  
FORMER DOVER LIBRARY, AND OTHER CITY PROPERTIES  
AGENDA**



**FEBRUARY 4, 2015 - 9:00 A.M.**

**CITY HALL CONFERENCE ROOM  
15 LOOCKERMAN PLAZA  
DOVER, DELAWARE**

PUBLIC COMMENTS ARE WELCOMED ON ANY ITEM AND WILL BE PERMITTED AT APPROPRIATE TIMES. WHEN POSSIBLE, PLEASE NOTIFY THE CITY CLERK (736-7008 OR E-MAIL AT [CITYCLERK@DOVER.DE.US](mailto:CITYCLERK@DOVER.DE.US)) SHOULD YOU WISH TO BE RECOGNIZED.

**AGENDA ADDITIONS/DELETIONS**

- 1. SELF-INTRODUCTION OF MEMBERS**
- 2. WELCOME BY COUNCILWOMAN WILLIAMS AND EXPLANATION OF THE COUNSEL'S PURPOSE**
- 3. OVERVIEW OF CITY PROPERTIES**
- 4. SCOPE OF WORK**
- 5. APPRAISAL METHODOLOGY**
- 6. DISCUSSION OF MEETING DATES AND TIMES**
- 7. ADJOURNMENT BY 11:00 A.M.**

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**THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS.**

## **SPECIAL COUNCIL MEETING**

A Special Council Meeting was held on October 30, 2013 at 6:30 p.m. with Council President Bonar presiding. Members present were Mr. Dixon, Mr. Lynn, Mr. Perza (arrived at 6:32 p.m.), Mr. Slavin, Mrs. Williams, and Mr. Hutchison. Mr. Anderson, Mr. Lynn, and Mr. Hare were absent.

Council staff members present were Mr. Koenig, Mrs. Mitchell, and Mrs. McDowell. Mayor Carey was also present.

### **AGENDA ADDITIONS/DELETIONS**

**Mr. Hutchison moved for approval of the agenda, seconded by Mr. Slavin and unanimously carried.**

### **PUBLIC/PRIVATE PARTNERSHIPS RELATED TO CITY-OWNED BUILDINGS**

Council President Bonar explained that one of the responsibilities of City Council is to ensure that the City gets the “biggest bang for our buck” from City properties. The City currently owns two (2) pieces of property: 1) the former Dover Public Library building located on State Street, and 2) Weyandt Hall on Reed Street, which are in need of significant renovations and are bringing no tax revenues to the City of Dover. He stated that there had been some discussions with individuals among Council who would like to have the City explore the possibility of a Public/Private Partnership (P3) in order to put these properties back on the tax rolls, and to have a discussion regarding the issues related to City Hall. He reminded members that the City Hall building was more than 30 years old and required several improvements, which include making it handicapped accessible, installing sprinklers, and addressing the lack of security. All of these things combined have the possibility of costing the City many, many thousands, if not millions, of dollars. Given the City’s current financial situation, he stated that the City was not capable of undertaking those items in a reasonable fashion. Therefore, he and other members of Council were of the opinion that discussion regarding the establishment of a P3 seemed to be a viable alternative. He emphasized that Council would not want to make a final decision regarding the establishment of a P3 until all of the advantages and disadvantages of each alternative had been prudently explored to determine which option would be in the best interests of the City. It was his opinion that the long-range plan would be to renovate the former Dover Public Library building to make it usable; renovate and modernize Weyandt Hall including a new roof and HVAC and electrical systems; and eventually build a new City Hall, which would provide one (1) building for all of the employees currently working in City Hall and Weyandt Hall.

Mr. Bonar suggested establishing an ad hoc committee comprised of five (5) members, including three (3) members of Council and two (2) civilian, resident members, to be appointed by the Council President and confirmed by Council. The Committee would examine this topic and make a recommendation to Council.

Mr. Bonar stated that the Governor had expressed that he would like to see a walkable campus in the downtown area that would include the Delaware Department of Natural Resources (DNREC). DNREC had expressed interest in a consolidated campus in order to keep their operations downtown, and noted that a P3 could certainly facilitate such a plan. Mr. Bonar explained that there had also been discussions about parking, which would be another topic for discussion. He stated the possibility of getting investors to put parking in, which would alleviate some of the parking problems in that area of the City, enhance what is currently available, and make it much more convenient for everyone to work and recreate downtown. He explained that all of these things would be seed for improving the downtown area of Dover, which he believed all members of Council favored. He reiterated that establishing a P3 would put buildings which currently pay no taxes back onto the tax

rolls and hoped members would give this matter due consideration. Mr. Bonar stated that Mrs. Donna Mitchell, Controller/Treasurer, had done some preliminary work pertaining to P3s but reminded members that he wished to establish an ad hoc committee to examine the possibilities.

Mrs. Mitchell reviewed a presentation entitled "City of Chicago - Inspector General's Report, GFOA Best Practices," (*Exhibit #1*) outlining the "pitfalls" to avoid when establishing a P3, as well as the best practices established by the Government Finance Officers Association (GFOA). She noted that members previously received the full "Report of Inspector General's Findings and Recommendations: An Analysis of the Lease of the City's Parking Meters," dated June 2, 2009, and reviewed a summary of the findings. She stated that the report found that many leases have a revenue sharing provision which helps the operating budget.

Referring to the GFOA Best Practices, Mrs. Mitchell stated that, since P3s are getting more attention, the GFOA put out an accounting pronouncement on how to account for service concession arrangements, which involve privatization agreements. For example, she explained that, if the City did a sale/lease back, the City may be subject to accounting for the liability for the value of the lease payments as well as the asset.

Mrs. Mitchell referred members to Page 14 of the "PFM University: Public-Private Partnerships" presentation previously provided and reviewed the recommended steps outlined for the P3 Process, PFM Project Management Approach.

Mrs. Williams indicated that Mrs. Mitchell is very watchful and already does all of the things that would be required of the finance officer for the process of creating a P3.

Mr. Hutchison expressed his excitement in exploring the option of creating a P3. However, he stated that an alternative option would be for the City Manager and Controller/Treasurer to establish a clear, defined program with policies and procedures for the management of City assets.

Mr. Perza stated that the information provided by Mrs. Mitchell was a good place to start, noting that the mistakes made by Chicago demonstrated what to avoid when considering a P3 and how to formulate a process within the acceptable boundaries.

Mr. Bonar reminded members that the establishment of an ad hoc committee to study the future of City Hall, Weyandt Hall, and the former Dover Public Library was scheduled for consideration during the Council Meeting of Tuesday, November 12, 2013.

In response to Mr. Slavin, Mr. Bonar confirmed that the language regarding the charge, duration and other details pertaining to the ad hoc committee would be provided during Council's consideration of the item.

Responding to Mr. Perza, Mr. Bonar clarified that Council would be considering the creation of two (2) separate committees, an ad hoc Committee to study the future of City Hall, Weyandt Hall, and the former Dover Public Library, as well as an ad hoc Financial and Operational Advisory Committee.

**By unanimous consent, the Special Council Meeting adjourned at 6:48 p.m.**

TRACI A. McDOWELL  
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Special Meeting of October 30, 2013 are hereby approved.

CARLETON E. CAREY, SR.  
MAYOR

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Exhibit

*Exhibit #1 - "City of Chicago - Inspector General's Report, GFOA Best Practices" Presentation, Provided by Mrs. Donna Mitchell, Controller/Treasurer*

## **EXCERPT OF NOVEMBER 12, 2013 CITY COUNCIL MEETING MINUTES**

The Regular Council Meeting was held on November 12, 2013 at 7:30 p.m. with Councilwoman Williams presiding in the absence of Council President Bonar. Council members present were Mr. Dixon, Mr. Lynn, Mr. Perza, Mr. Slavin, Mr. Hare, and Mr. Hutchison. Mr. Anderson was absent.

Council staff members present were Police Chief Hosfelt, Mrs. Mitchell, Mr. Koenig, Mrs. Townshend, City Solicitor Rodriguez, and Mrs. McDowell. Mayor Carey was absent.

## **LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - OCTOBER 28, 2013**

The Legislative, Finance, and Administration Committee met on October 28, 2013 with Chairman Lynn presiding.

### **Establishment of an Ad Hoc Committee to Study the Future of City Hall, Weyandt Hall, and the Former Dover Public Library**

Council President Bonar stated that due to the age and condition of the City's buildings, including the former Dover Public Library, Weyandt Hall, and City Hall, it would cost a significant amount of money to repair or renovate them. He noted that these buildings were not handicapped accessible, had problems with the heating, ventilation and air conditioning (HVAC) systems, etc., and were not currently drawing any tax revenue for the City.

Mr. Bonar explained that the purpose of this Committee would be to review these issues and develop an unbiased but educated recommendation to Council on the most fiscally responsible way to remedy them. He noted that members would consider whether to renovate or build new structures, keeping in mind the concept of inviting private investors to pay for the repairs or construction of a new building which would also put the buildings back on the tax rolls. Mr. Bonar noted additional concerns regarding security in City Hall, citing a recent incident involving an individual who posed a potential threat and was able to make it into the City Manager's and Mayor's Office. He stated that this person was taken into custody without incident; however, he felt that this indicated that security at City Hall and in the City Council Chambers needed to be addressed.

Mr. Bonar recommended creating an objective group to review the options and provide a recommendation to the Legislative, Finance, and Administration Committee and ultimately to Council. He noted that the Committee would be of no expense to the City but would provide valuable information.

In response to Mr. Shevock, Mr. Bonar advised that once the task of the Committee was complete it would dissolve. It would not be a standing committee.

Responding to Mr. Shevock, Mr. Bonar stated that the Committee would consist of three (3) members of Council, and three (3) members of the general public with a background in investments and finance, and that he, as Council President, would appoint the members.

In response to Mr. Slavin, Mr. Bonar advised that if the recommendation were passed on to Council, additional details and specific information concerning the formation of the Committee would be provided, including the names and backgrounds of members, the scope of the committee, etc.

Responding to Mr. Lynn, Mr. Scott Koenig, City Manager, stated that the basic groundwork and architectural design previously approved by Council for City Hall was currently on hold pending the potential formation of the Committee. He reminded members that further discussion and possible recommendations regarding public/private partnerships related to City-owned buildings was scheduled for consideration during the Special Council Meeting of October 30, 2013.

The Committee recommended the establishment of an Ad Hoc Committee to Study the Future of City Hall, Weyandt Hall, and the Former Dover Public Library.

**Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Dixon and carried with Mr. Lynn voting no.**

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