

## Minutes of the Annexation Committee

August 12, 2020

7:00 p.m.

Annexation Committee Chairman Vice-Mayor Dan Henderson called to order the Annexation Committee Meeting at 7:00 p.m. Vice-Mayor Henderson stated that the information presented tonight is in regards to the possible annexation of what is known as the Sunrise Motel.

The meeting was then turned over to City Manager Charles Anderson. City Manager Anderson presented New Business Item #1, Present petition for annexation request from Mr. Sapan Shah, for annexing TMP 331-3.00-180.00; 22512 Sussex Highway known as Sunrise Motel. City Manager Anderson shared the formal request for annexation received from Mr. Shah on June 15, 2020. He added that the reason for the annexation request is for City Utilities and the request is for C-2 zoning of the property. City Manager Anderson shared a Goggle Map picture of the location of the property. It is just south of the Sherman location on Sussex Highway. He added that the new owner has done some improvements to the property and staff has visited the property several times. The property owner does have some continued improvements plans and he is aware of the proposed water and sewer projects planned for Route 13 in coordination with the Unified Sewer District project. City Manager Anderson showed a picture of the Sussex County Tax Map of the property that shows it is about 1.64 acres with frontage on Sussex Highway. City Manager Anderson showed the City current zoning map. The requested zoning of C-2 is consistent with the current zoning near the property. The property is also eligible for annexation due to City limits being across Sussex Highway which makes the property contiguous to City limits.

City Anderson stated that staff has done some preliminary work in advance of this meeting; the plan of services has been completed and was submitted to the Office of State Planning. A letter was received back stating that they have reviewed the plan of services and there were no objections to the annexation.

City Manager Anderson asked if there were any questions. Councilman Holland asked if there was a time frame that the property owner was looking to have this completed and being able to hook up to the water? City Manager Anderson stated that the timeframe that was laid out to the property owner estimated the annexation process would be completed around the middle of October 2020. Once the property owner annexes, he would be eligible to receive City services. A water main has been installed and is in the final stages of testing that runs along Route 13. Once he annexes, he can request to tie onto the water. City Manager Anderson added that the sewer is dependent on other sewer extensions that need to occur for other properties. At this time, the time frame for that is unknown.

Vice-Mayor Henderson stated that the current use of the property is consistent with C-2 zoning. City Manager Anderson stated that was correct.

City Manager Anderson then presented New Business #2, Present the draft committee report submitted for review and changes if needed.

City Manager then reviewed the draft committee report. In the report, it states the petitioner's name and location of lands. As stated earlier, the reason for annexation is to obtain City utilities. The report discusses streets and roadways which points out that Sussex

Highway is a state-maintained road. It adds that the City does not expect to construct any new streets to accommodate development of this land. The report discusses storm water drainage; there is not a storm water system in close proximity to these lands. Any storm water management system to serve these lands will have to be designed by the developer and approved by the Sussex Conservation District office. Zoning of the property is discussed in the report, which is C-2 and is consistent with the City's Land Use and Zoning maps. The property currently receives electric service through Delmarva Power, upon annexation of the property, the City will amend its service territory agreement with Delmarva Power to include the annexed lands. The City of Seaford currently has a gravity sewer main near the subject property. This facility is serviced by the Lowes development located south of the subject lands. The City of Seaford municipal sewer system is the only publicly owned system in the area. Once the lands are annexed, they would be eligible to be tied into the municipal sewer system. There is a 16" water main located in the Sussex Highway right-of-way (on the north bound side) adjacent to the site. The plan discusses easements that the owner would need to provide the City the necessary easements prior to acceptance of any streets, water mains, sewer mains, and electric installations. Should the property be annexed, it will be subject to property taxes. City Manager Anderson added that the City also currently has lodging tax so the property will be subject to that provision of the Municipal Code. The Land Use plan identifies the area that the subject property is located in as commercial. The requested zoning of C-2 per City Zoning regulation would be consistent with the objectives of the plan.

City Manager Anderson stated the advantages to the City for the proposed annexation. The City would benefit from an increased tax base. There is the opportunity to provide utility services (electricity, water and sewer) to the parcel and spread the cost of service over a larger user base. It will allow the City to be positioned to serve additional lands adjacent but not in the City by the extension of the utilities to this property. There is local control of development at the local municipality level by having authority over it; being able to implement the municipal codes to maintain the property based on complaints received. This area would be served by the Municipal Police force, which will reduce property owner confusion and minimize dispatcher time (currently the area is serviced by the State Police, which is confusing to the property owners who have a Seaford address but are not within the City limits). The governing body that will be the most impacted by the land use decisions will be making those decisions. This is in keeping with Livable Delaware and minimizing sprawl.

City Manager Anderson then stated the disadvantages to the City for the proposed annexation. With continued growth, the City will have to expand personnel to provide all of the expected services. The expansion may increase the operating and capital budgets. In addition, it will increase the area for City departments to serve. Traffic may increase on area roads in the event a redevelopment occurs. If the property redevelops, accidents could increase without improvements to the adjoining roads and intersections. A traffic plan should be prepared if development is planned. There will be an added number of requests to the City for reviews of plans, service extensions, Code and police services.

City Manager Anderson then read the advantages to the area proposed for annexation. The area will receive all utility services from one owner so coordination of services will be less complicated. They will be provided local police protection with anticipated shorter response time. All permitting will be coordinated through the City. Support will be provided in obtaining other agency permits. Checklist will be provided for development. The local government will do the zoning of the lands. Snow removal on all City owned public streets, leaf and limb pickup at the curb, and maintenance, such as paving, pavement markings, etc., on the City

streets will be provided by the City. All complaints will be made to the City. The property owners will receive local representation for concerns through the elected officials who have to live in the community. They will benefit from the municipal water and sewer services, once extended by the owner.

City Manager Anderson then read the disadvantages to the area proposed for annexation. They will have to adhere to local code and ordinances, in building and maintaining facilities, which may be perceived as additional paperwork and more restrictive. They will have only one vendor for utilities – water, sewer and electric. They will have to adhere to more restrictive codes in placement of outside storage and appearance of property.

City Manager Anderson stated that the report was drafted in anticipation that the committee members unanimously agreed to proceed with the proposed annexation process for this property. It was added that a public hearing is required as stated in our City Charter.

Vice-Mayor Henderson asked for any questions from the committee. Councilman MacCoy asked about item #2 on disadvantages to the City which states the expansion may increase the operating and capital budgets. He asked if any previous annexations, is there an estimated amount of what these budgets would increase? City Manager Anderson stated that it depends on what is being referenced. For instance, a gravity main is less expense to maintain rather than a lift station. Some items that the City maintains are more cost intense. However, the more water that we have to pump and treat, that cost does increase. Councilman MacCoy then asked has there been any effect with previous annexations where surrounding properties have requested to annex once one property requests an annexation? City Manager Anderson stated that several years ago there was an annexation when about 7-8 parcels on Sussex Highway which is the largest bulk annexation that he recalls. There have been times where property owners get together and see the value of annexation.

Vice-Mayor Henderson asked the timing of the property taxes assessment once the property is annexed? City Clerk Tracy Torbert stated that once the property went through the annexation process and was annexed, the tax assessor would be provided the information to do the field work. The information would be included in the information sent quarterly to the tax assessor for review. The tax assessor would then provide a value for the property and a bill would be sent to the property owner as a supplemental bill. The bill would be prorated depending on the time of the tax year when the bill is issued.

With no other questions or comments, Vice-Mayor Henderson called for a motion. Councilman MacCoy made a motion to recommend approval of the Annexation Committee Report for the property owned by Mr. Sapan Shah, TMP 331-3.00-180.00; 22512 Sussex Highway known as Sunrise Motel to the City Council. Councilman Holland seconded the motion. Vice-Mayor Henderson then asked for a Roll Call Vote:

Vice-Mayor Henderson voted yes;  
Councilman Holland voted yes;  
Councilman MacCoy voted yes.

Motion so passed.

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With no other business, Vice-Mayor Henderson asked for a motion to adjourn. Councilman MacCoy so moved; Councilman Holland seconded; motion so passed with all present voting in favor.

Vice-Mayor Henderson closed the Annexation Committee Meeting at 7:22 p.m.

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Charles Anderson, City Manager