



City of Wilmington

Charles M. "Bud" Freel
City Council Member, 8th District

Louis L. Redding City/County Building
800 N. French Street
Wilmington, Delaware 19801-3537

phone (302) 576-2140
fax (302) 571-4071
www.WilmingtonDE.gov

Finance & Economic Development Committee

Charles "Bud" Freel, Chair
Ciro Adams
Linda M. Gray
Christofer C. Johnson
Zanthia Oliver
Loretta Walsh
Dr. Hanifa Shabazz, Ex-Officio Member

➤ **REVISED NOTICE**

Virtual Finance & Economic Development Committee Meeting Budget Hearings Monday, April 27, 2020 4:00 P.M.

Agenda

Legislation – 4:00 p.m.

- **Ordinance No. 20-018** Establishing Salaries of City Council Members for the 108th Council Session to be Effective as of January 5, 2021
 - **Ordinance No. 20-019** Amend Chapter 2 of the City Code in Order to Authorize the City Treasurer to Access the Budget Reserve Account Funds for Fiscal Year 2020 and Require Replenishment of the Budget Reserve Account Funds in the Ensuing Fiscal Year
 - **Ordinance No. 20-010** Authorize an Amendment to a Sublease Agreement between the City and DETV Foundation,
- Finance Department Budget Hearing - 5:00 P.M.
 - Office of Information Technology Budget Hearing - 6:45 P.M.

The public can access the meeting by clicking the following link:

<https://zoom.us/j/356637788>

Webinar ID: 356 637 788

Or by Telephone by dialing:

(929)-205-6099

Or (301)-715-8592

You will be asked for the Webinar ID. Please enter **356 637 788** and then #. You can press # again when prompted to immediately enter the meeting.

(Electronically – Rev. 3 (4/27/2020))

If public comment is permitted during this committee meeting, any member of the public who wishes to speak during the committee meeting will be limited to three minutes per agenda item. If the public's permission to comment is abused, the Chair may exercise greater discretion in limiting public comment .

AN ORDINANCE ESTABLISHING SALARIES OF CITY COUNCIL MEMBERS FOR THE 108TH COUNCIL SESSION TO BE EFFECTIVE AS OF JANUARY 5, 2021

#4795

Sponsors:

**Council
President
Shabazz**

**Council
Member
Freel**

WHEREAS, City Charter Section 2-100 provides, in relevant part, that the terms of City Council Members shall be for four (4) years commencing on the first Tuesday of the month of January following the year in which they were elected; that each Council Member shall receive a salary at the rate of eight thousand dollars (\$8,000.00) per annum, or such other sum as the Council may from time-to-time ordain; that the annual salary shall not be increased during the current term of Council Members enacting such ordinance; that no change shall be made in the compensation of Council Members during the final six months of the terms of the Council Members; and that the Council President shall receive, in addition to the sum paid the Council Members, the sum of one thousand dollars (\$1,000.00) per annum; and

WHEREAS, pursuant to City Charter Section 2-100, the current salaries of City Council Members were established by Ordinance No. 16-022, which became effective as of the first Tuesday in January 2017; and

WHEREAS, Ordinance No. 87-052 enacted the principal recommendations contained in the May 1987 Report (the "Report") of the Council Compensation Commission (the "Commission"), including the recommendation that Council review its salary structure at least every four (4) years, using the methodology set forth in the Report, to avoid the need for large catch-up increases in salaries of Council Members, and the Council since then has adopted periodic findings of increases in compensation of non-union City employees and applied proportional increases to the compensation of City Council Members, as recommended by the Commission; and

WHEREAS, Council's most recent findings, done pursuant to Council Rule 26, reflect the cumulative compound increase in pay for non-union City employees and propose

proportional, increased salaries for the 108th Council Session Council Members, which would be effective as of January 5, 2021; and

WHEREAS, in January 2021, the Council President and any Council Member may elect in writing to decline the salary increase otherwise authorized by Section 1 of this Ordinance.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. The salaries of the Council President, the Chair of the Finance Committee, the President Pro Tempore, and the other Council Members for the 108th Council Session shall be as follows:

President of Council	\$36,727.00 per annum
Finance Committee Chair	\$34,151.00 per annum
President Pro Tempore	\$32,997.00 per annum
Council Members	\$29,057.00 per annum

SECTION 2. The City Council Members who will take office on January 5, 2021, and the future Council Members thereafter, shall review the Council's salary structure every four (4) years, using the methodology set forth in the Report, in order to avoid overly long periods between adjustments or a need for large catch-up increases in salaries. The Council Members shall avoid the use of any formula or other mechanism that would relieve any of them from their responsibility for dealing with the issue of the compensation to be paid Members of City Council.

SECTION 3. The effective date of the salaries of the Council President, the Finance Committee Chair, the President Pro Tempore, and the Council Members set forth in Section 1 of this Ordinance shall be January 5, 2021. Within five (5) business days following January 5, 2021, the Council President and any Council Member may elect in writing, signed and filed with the City Treasurer, to decline the salary increase authorized by the provisions

of Section 1 of this Ordinance, said amount to be pro-rated in each pay period for the term of said President or said Council Member. In the event of a vacancy occurring during the term of the office of the Council President or of any Council Member, the duly appointed successor-President or successor-Member shall receive the full salary authorized for the position, unless within five (5) business days of taking such office, said successor elects in writing to decline the full salary by declining the salary increase in the aforementioned manner. The balance of the provisions of this Ordinance shall become effective upon its passage by City Council and approval by the Mayor.

First Reading..... April 16, 2020
Second Reading..... April 16, 2020
Third Reading.....

Passed by City Council,

President of City Council

ATTEST:_____
City Clerk

Approved this ____ day of _____, 2020.

Mayor

SYNOPSIS: Pursuant to City Charter Section 2-100 and City Council Rule 26, this Ordinance establishes increased salaries for Council Members for the 108th Council Session who will take office on January 5, 2021.

FISCAL IMPACT STATEMENT: See attached.

W0109157

Per Council Rule# 26

Ord# 16-022

President Salary	\$35,650
President Pro Tempore	\$32,030
Finance Committee Chair	\$33,150
Council Members	\$28,205

Scenario#1

<u>Non Union</u>	COLA	Cum %	Council Member	President	Finance	Pro Tem
FY17	0.00%	0.00%	\$28,205.00	\$35,650.00	\$33,150.00	\$32,030.00
FY18	1.00%	1.00%	\$28,487.05	\$36,006.50	\$33,481.50	\$32,350.30
FY19	0.00%	1.00%	\$28,487.05	\$36,006.50	\$33,481.50	\$32,350.30
FY20	2.00%	3.02%	\$29,056.79	\$36,726.63	\$34,151.13	\$32,997.31
		3.02%	\$29,056.79	\$36,726.63	\$34,151.13	\$32,997.31

Per Council Rule#26

Proposed Council Salary for 108th Session of City Council

<u>City Council</u>	<u>107th</u>	<u>Proposed</u>					
<u>Fiscal Impact 2% COLA</u>	<u>Current</u>	<u>108th Session</u>					
	<u>Salary</u>	<u>Salary</u>	<u>Difference</u>	<u>Fica</u>	<u>Med Tax</u>	<u>Pension</u>	<u>Total</u>
President Salary	\$35,650	\$36,726.63	\$1,076.63	\$66.75	\$15.61	\$83.44	\$1,242.43
President Pro Tempore	\$32,030	\$32,997.31	\$967.31	\$59.97	\$14.03	\$74.97	\$1,116.27
Finance Committee Chair	\$33,150	\$34,151.13	\$1,001.13	\$62.07	\$14.52	\$77.59	\$1,155.30
Council Members (10)	\$28,205	\$29,056.79	\$851.79	\$52.81	\$12.35	\$66.01	\$9,829.67
Total Annual Additional Cost:							\$13,343.67
Total FY2021 Fiscal Impact effective 1/5/2021:							\$6,671.84

Proposed Recommendation per Council Rule# 26**108th Session Salary**

President Salary	\$36,727
President Pro Tempore	\$32,997
Finance Committee Chair	\$34,151
Council Members	\$29,057

AN ORDINANCE TO AMEND CHAPTER 2 OF THE CITY CODE IN ORDER TO AUTHORIZE THE CITY TREASURER TO ACCESS THE BUDGET RESERVE ACCOUNT FUNDS FOR FISCAL YEAR 2020 AND REQUIRE REPLENISHMENT OF THE BUDGET RESERVE ACCOUNT FUNDS IN THE ENSUING FISCAL YEAR.

#4797

Sponsor:

Council
Member
Guy

WHEREAS, the Administration and the City Council concur that the provisions of § 2-376.3(c), as amended by Ordinance No. 19-004, should be amended so as to extend from July 1, 2019 to June 30, 2020 the period of time during which the City Treasurer shall be authorized to access budget reserve funds and also be required to replenish the Budget Reserve Account thereafter.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. Chapter 2 of the City Code is hereby amended by amending § 2-376.3(c), as amended by Ordinance No. 19-004, by deleting the language within brackets and by adding the underlined language to read as follows:

Sec. 2-376.3. Authorization to access budget reserve account funds and to require their replenishment.

....

(c) The aforesaid authority of the city treasurer to access budget reserve account funds and the requirements to replenish the budget reserve account funds shall pertain to fiscal year [2019] 2020 only and the provisions of subsections (a) and (b) as such subsections relate to fiscal year [2019] 2020 only shall be of no further force and effect as of July 1, [2019] 2020, except only as to administrative matters to be completed on or before October 1, [2019] 2020.

SECTION 2. This Ordinance shall become effective immediately upon its date of passage by the City Council and approval by the Mayor.

First Reading April 16, 2020

Second Reading April 16, 2020

Third Reading

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this _____ day of _____,

Mayor

SYNOPSIS: This Ordinance amends § 2-376.3(c), as amended by Ordinance No. 19-004, by extending from July 1, 2019 to June 30, 2020, the authorization for the City Treasurer to access budget reserve account funds and the requirement to replenish those funds no later than October 1, 2020.

W0110210

**AN ORDINANCE TO AUTHORIZE AN AMENDMENT TO A SUBLEASE
AGREEMENT BETWEEN THE CITY AND DETV FOUNDATION, INC.**

#4781

Sponsor:

**Council
Member
Oliver**

Co-Sponsor:

**Council
President
Shabazz**

WHEREAS, pursuant to Section 2-308 and Section 8-200 of the City Charter, City Council may, by ordinance, authorize contracts for the leasing of real estate, the supplying of personal property, or the rendering of services to the City for a period of more than one year; and

WHEREAS, City Council adopted Substitute No. 1 to Ordinance No. 19-006 which approved a multi-year lease agreement between the City and DETV Foundation, Inc. ("DETV") for studio space located at 2801 Lancaster Avenue in Wilmington, Delaware (the "Lease");

WHEREAS, the City desires to amend the Lease on the terms set forth in the Second Amended and Restated Sublease Agreement ("Amended Lease"), a copy of which is attached hereto and incorporated by reference herein as Exhibit "A"; and

WHEREAS, the term of the Amended Lease alters the terms of the Lease to provide that the City shall cover the costs of utilities related to the leased premises; and

WHEREAS, it is the recommendation of the Cable Video & Telecommunications Commission that the City enter into the Amended Lease.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. The Amended Lease between the City of Wilmington and DETV, a copy of which is attached hereto as Exhibit "A," is hereby approved, and the appropriate officers of the City are hereby authorized and directed to execute as many copies of the Amended Lease, as well as all additional undertakings related thereto, as may be necessary.

SECTION 2. This Ordinance shall become effective immediately upon its passage by City Council and approval by the Mayor.

First Reading.....March 19, 2020
Second Reading.....March 19, 2020
Third Reading.....

Passed by City Council,

President of City Council

ATTEST:_____
City Clerk

Approved this ____ day of _____, 2020.

Mayor

SYNOPSIS: This Ordinance authorizes the execution of an amended lease agreement between the City of Wilmington and DETV Foundation, Inc. for studio space located at 2801 Lancaster Avenue in Wilmington, Delaware to provide that the City shall cover the costs of utilities related to the leased premises.

EXHIBIT A

SECOND AMENDED AND RESTATED SUBLEASE AGREEMENT

THIS SECOND AMENDED AND RESTATED SUBLEASE AGREEMENT ("Amended Sublease") is made as of this _____ day of _____, 2020, by and between the **City of Wilmington**, a Delaware municipal corporation (the "Tenant"), and **DETV Foundation, Inc.** (the "Subtenant"), a non-profit corporation incorporated under the laws of the State of Delaware.

WITNESSETH

WHEREAS, Tenant and Lancaster Associates LLC ("Landlord") entered into a Lease Agreement ("Lease"), attached hereto as "Attachment A", executed on June 24, 2019 for the lease of the property located at 2801 Suite 1 Lancaster Avenue, Wilmington, Delaware 19805 (the "Premises"); and

WHEREAS, Tenant has lawful possession of the premises pursuant to the Lease; and

WHEREAS, Tenant desires to sublet the Premises to the Subtenant upon the terms and conditions set forth herein.

WHEREAS, Tenant and Subtenant previously entered into a Sublease Agreement dated April 3, 2019 ("Original Sublease") which was thereafter amended by mutual agreement on April 17, 2019.

WHEREAS, Tenant and Subtenant desire to further amend the Original Sublease and restate the entirety of their agreement in this Amended Sublease.

NOW, THEREFORE, WITNESSETH in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows.

1. **SUBLEASE.** Subject to the terms and conditions of this Amended Sublease, Tenant hereby subleases to Subtenant, and Subtenant hereby subleases from Tenant, the Premises.
2. **TERM.** The term of this Amended Sublease shall commence on date first set forth above and shall terminate on March 31, 2022 unless sooner terminated by one of the following: (a) upon termination of the Lease agreement between Landlord and Tenant, (b) by agreement of the parties hereto, or (c) pursuant to the provisions of the Lease or new lease upon the same terms.
3. **RENT.** Tenant agrees that Subtenant shall not be charged rent in any amount for Subtenant's use of Premises.
4. **UTILITIES.** Tenant shall be responsible for and pay all charges for heat, water, gas, electricity, or any other utility used or consumed on the Premises.
5. **INCORPORATION OF LEASE TERMS.** Subtenant has reviewed a complete copy of the Lease, and, unless modified hereby, agrees to comply with all of the obligations of the

Tenant under the Lease (whether requested by Landlord or Tenant), and specifically consents to the terms thereof or any new lease upon the same terms. Unless modified by the terms of this Amended Sublease, Subtenant hereby assumes and agrees to abide by and comply with, for the benefit of Tenant and Landlord, all covenants, obligations and undertakings of Tenant under the Lease or any new lease upon the same terms. Subtenant shall not do or permit to be done anything, which would constitute a default under the Lease or cause the Lease to be terminated or forfeited. In the event Subtenant causes or permits what Tenant reasonably deems to be a default under the Lease or any new lease upon the same terms, in addition to all other remedies available to Tenant, Tenant shall be entitled to enter the Premises, without Subtenant's consent, and cure said default, whereupon all expenses incurred by Tenant thereby shall be additional rent due and payable with the next monthly rent payment.

6. ACCEPTANCE OF PREMISES. Subtenant acknowledges and agrees that it has previously inspected the Premises and is accepting and subleasing the Premises hereunder in "as is" condition. Subtenant has and will rely solely on Subtenant's own independent investigations and inspections of the Premises and has not relied and will not rely on any representations of Tenant.
7. SUBORDINATION. This Amended Sublease is subject and subordinate to the Lease, to all matters contained therein, and to any encumbrance of Landlord's and/or Tenant's interest in the Premises. This provision is self-operative and no further action or documentation shall be necessary for such subordination to be effective.
8. INSURANCE. Subtenant shall provide insurance coverage for itself and all of its employees, if any, used in connection with this Sublease as follows: workers' compensation as required by law; comprehensive general liability coverage for personal injury, including death, and property damage in the minimum amount of One Million Dollars (\$1,000,000.00). Such policies shall be issued by a financially sound carrier. Subtenant shall provide Tenant with a certificate of insurance evidencing the above-stated coverage and naming the City of Wilmington as an additional insured.
9. INDEMNIFICATION. Subtenant shall indemnify and hold harmless the Tenant, its employees, agents, and officers, from and against any and all claims, damages, actions, liabilities and expenses, including reasonable attorneys' fees, resulting from the negligent acts or omissions of Subtenant, its employees, agents, subcontractors, consultants, or subconsultants in performing the services required under this Agreement.
10. NOTICE. Any notice which is required or may be given in connection with this Sublease Agreement shall be addressed to the parties as follows:

Tenant/The City:

Hanifa Shabazz
Louis L. Redding City/County Building

800 N. French St. 9th Floor
Wilmington, DE 19801

Subtenant/DETV:

Ivan Thomas
DETV Foundation
500 East Hanna Drive
Newark, DE 19702

11. **GOVERNING LAW.** The laws of the State of Delaware shall govern this Sublease. All disputes in connection with this Agreement shall be resolved by the courts of New Castle County, Delaware. Subtenant agrees to submit exclusively to the jurisdiction and venue of said courts.
12. **MODIFICATION TO AGREEMENT.** This Amended Sublease may not be changed orally, but only by an agreement in writing and signed by both parties.
13. **ENTIRE AGREEMENT.** This Amended Sublease contains the entire agreement of the parties and no other representations or agreements, oral or otherwise, among the parties not embodied herein shall be of any force or effect with respect to the subject matter hereof. No failure of any of the parties to exercise any power given hereunder, or to insist upon strict compliance of any obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of any party's right to demand exact compliance with the terms hereof.

IN WITNESS WHEREOF, the parties have entered into this Sublease the date and year first above mentioned.

TENANT: CITY OF WILMINGTON

SUBTENANT: DETV FOUNDATION, INC.

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____